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NEWS SUMMARY

GENERAL
Uganda capital falls to invaders

Uganda's capital Kampala finally fell to Tanzanian-backed Ugandan exiles, and remaining pockets of resistance were being mopped up last night.

President Idi Amin was said to have fled the city to a new military headquarters a few miles to the east. He is expected to leave shortly for his northern stronghold beyond the Nile.

The country will initially be administered by the Uganda National Liberation Front, a Ugandan exile Government, led by Dr. Yusuf Lule, a 67-year-old academic. Back Page, Editorial Comment, Page 22

BUSINESS
Equities gain 3; sterling falls 1½c

● **EQUITIES** saw light selling before a technical recovery helped to raise demand and the FT 30-share index closed 3 points up at 538.7.

● **GILTS** made early gains on suggestions that the medium term stock was over-subscribed, but long lost up to 1 following after-bon indications of a rise in the inflation rate. The Government Securities Index was unchanged at 75.80.

● **STERLING** fell 1½ cents to \$2.0870, and its trade-weighted index dropped sharply to 67.3 (67.8). **DOLLAR**'s trade-weighted index fell from 85.4 to 85.3.

● **GOLD** fell \$3½ to \$236½ in London.

● **WALL STREET** was 5.97 down at 872.75 near the close.

● **INTERBANK** three-month rate rose to 11.7/16 from 11½ per cent in the London money market.

Times hopes fade

Hopes of a resumption of the Times Newspapers negotiations by next Tuesday were fading last night as Dugli Nisbet-Smith, the company's general manager, said a "very drastic" change in attitude by some union leaders was needed. Page 12

More executions

A further 11 of Iran's most prominent politicians and military officers under the Shah were executed before daybreak, bringing to 93 the number who have gone before firing squads. Page 2

Peru climbdown

Peru's military government has been forced to give in to a group of hunger striking journalists and to promise to reopen to magazines and political pamphlets closed three months ago on "national security" grounds. Page 4

Soldier killed

One British soldier was killed and another seriously ill after their patrol was fired on in the Whitecross area of Belfast.

Egypt referendum

President Anwar Sadat ordered a referendum for next Thursday to seek approval for the peace treaty with Israel and to ask if Egyptians want a general election. Meanwhile, artillery duels continued for the second day between Palestinians and Israelis around the Lebanese town of Tyre.

Tornado deaths

Texas City was the worst hit and 60 injured after explosions wrecked a fireworks factory in Rawalpindi, Pakistan.

Lord Frederick

Prince and Princess Michael of Kent's son will be called Frederick Michael George David Louis, said a Kensington Palace announcement. His title will be Lord Frederick Windsor.

Killer blast

At least 50 people were feared killed and 60 injured after explosions wrecked a fireworks factory in Rawalpindi, Pakistan.

Solicitor quits

Belfast solicitor Donald Murphy resigned from the Northern Ireland Police Authority, claiming his persistent warnings about allegations of ill-treatment of suspects had been ignored.

Rhodesia attack

Rhodesian authorities announced a second strike within 12 hours against guerrilla bases in Zambia but denied reports of a third attack.

Briefly...

Bandleader Jack Parnell will leave Pentonville Prison today after serving eight weeks of a three-month sentence on a drink-driving charge.

Eight prison officers convicted of conspiring to assault inmates after the Hull Prison riots in 1976 are to appeal against their sentences.

CHIEF PRICE CHANGES YESTERDAY
(Prices in pence unless otherwise indicated)

RISERS		FALLS	
A.E. Electronic	240 + 8	Aberthaw Cement	115 - 5
Areson (A)	130 + 4	Bambers Stores	298 - 12
Bellway	130 + 4	Brown and Jackson	478 - 12
Eagle Star	164 + 7	Barton "A"	300 - 8
Gilbs Mew	162 + 18	England (J. E.)	27 - 4
Guardian Royal Ex	278 + 18	Lee Refrigeration	75 - 9
Harrison (T. C.)	135 + 9	Minec	156 - 8
Hirst & Millman	47 + 5	Owen Owen	138 - 10
Imperial Group	106 1/2 + 3 1/2	Smith (W. H.) "A"	174 - 21
Keyser Ullmann	77 + 4	Smiths Inds.	224 - 6
Peasey Property	127 + 5	Walker and Holmer	134 - 24
Peat Assurance	294 + 12		
Plexions	160 + 9		
Pleasurama	129 + 7		
Slough Estates	170 + 7		
Taylor Falster	108 + 8		

Trade union reform is Tories' priority

BY PHILIP RAWSTORNE

CONSERVATIVE proposals for the reform of industrial relations last night became the first major battleground of the general election campaign.

Mrs. Margaret Thatcher, in an abrasive speech in North London, promised that trade union reform would be the priority of a Conservative Government.

The party manifesto, published earlier yesterday, pledges action against the closed shop and secondary pickets, and threatens cuts in social security benefits for strikers' families.

Labour and trade union leaders reacted fiercely last night. Mr. Len Murray, TUC general secretary, criticised the Tories' "misb-mash" of ill-thought out ideas.

The manifesto also said a Conservative Government would maintain a tight grip on public sector pay while withdrawing from pay bargaining in private industry.

The industrial relations reforms constitute one of the main bases on which Mrs. Thatcher pledged her party to "rebuild the economy and reunite the people."

The other main elements would be:

- Income tax cuts at all levels and other tax changes, the first of which would be introduced in an immediate Budget.
- Denationalisation of aerospace, shipbuilding and freight and a sustained reduction of Government intervention in industry generally.
- The manifesto declares: "We make no lavish promises... Too much has gone wrong in Britain for us to hope to put it all right in a year or so."
- But it adds: "The years of make-believe and false optimism are over. It is time for a new beginning."
- Mrs. Thatcher stressed last night: "We shall not wait until there is another industrial crisis on our hands to bring about the changes that everyone knows are needed."
- Conservatives wanted to avoid confrontation—but would not be deterred by it, she said.
- Mrs. Thatcher, presenting the manifesto at a London Press conference, brusquely dismissed suggestions of a confrontation with the unions.
- "After we have been elected, trade union leaders will work with a Conservative Government because that is our democratic tradition," she declared.
- "But until we have been elected, they are just as much entitled to their own political opinions as anyone else."
- The Tory leader said she was convinced that a larger section of the country's 12m trade union would be voting Conservative than ever before. "I believe we will get a great deal of co-operation," she added.
- But the manifesto—though offering the tempting prospect of a "high-productivity, high-wage, low-tax economy"—firmly promised to tilt the balance of power away from the unions.
- Strikes were too often a weapon of first rather than last resort, the manifesto declares.
- "One cause is the financial treatment of strikers and their families. In reviewing the position, therefore, we shall ensure that unions bear their fair share of the cost of supporting those of their members who are on strike."
- Mr. James Prior, employment spokesman, made it clear that talks would be held with the unions who would be given time to build up their funds.
- The whole emphasis is to place more responsibility on official trade union leaders... it could make a big contribution to union discipline.
- The manifesto, however, proposes further curbs on union militancy.
- Legal safeguards would be introduced against secondary picketing and the right to work would be protected. "Violence, intimidation and obstruction (by pickets) cannot be tolerated," it says.

The main points

- Substantial cuts in income tax and changes to the capital transfer and capital gains taxes.
- Strict control of money supply and a gradual reduction in State borrowing. Waste to be eliminated in Government.
- Secondary picketing to be curbed and existing law on immunities immediately reviewed. Changes in way strikers are treated for tax purposes.
- Change in the law covering closed shop and introduction of a statutory code under Employment Protection Act enforcing secret ballot before closed shop could be established.
- "Responsible pay bargaining." No Government intervention in private sector. Cash limits to be applied strictly in public sector.
- Role of National Enterprise Board to be reduced. Recently nationalised aerospace and shipbuilding concerns to be offered back to private shareholders.
- New curbs on immigration in line with last year's eight-point plan.
- Competition bodies, including Price Commission and British National Oil Corporation, to be reviewed.
- Devaluation of Green Pound and freeze on EEC common agricultural prices for products in surplus.
- Increased spending on police and defence. Spending on National Health to be protected from public expenditure cuts.
- New system of short-term loans to bring more rented accommodation on to the market. Council houses to be sold at cut prices.
- Direct grant schools to be restored.

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Brascan shareholders may oppose bid for Woolworth

BY JOHN WYLES IN NEW YORK

THE BOARD of Brascan yesterday faced the possibility of organised opposition by a group of shareholders to the company's \$1.125bn (£537m) cash bid for F. W. Woolworth.

This emerged as the Woolworth board was meeting in New York to decide its attitude to the Canadian company's proposed offer of \$55 a share, which was launched without prior warning on Monday.

While Woolworth shares remained suspended on the New York Stock Exchange, they were traded on the Boston and Midwest exchanges in Chicago in the \$31-32 range.

However, a potential leader of stockholders' revolt at Brascan emerged yesterday in the shape of Edger Equities, which announced that it was abandoning its plan to offer

CS\$27.6m (£136m) for more than 11m Brascan shares announced at the same time as the U.S. retailer. This would have raised Edger's stake in Brascan to around 50 per cent.

Edger is a Canadian investment company two thirds owned by Edger Investments, controlled by Edward and Peter Broutman, cousins of Mr. Edger Broutman, chairman of Seagram Company. Edger's legal counsel, Mr. J. Trevor Eytton, said yesterday that Edger was scrapping its plans because of Brascan's bid for Woolworth.

Pointing out that Edger already owned 5.3 per cent of Brascan's stock, Mr. Eytton said that the Woolworth bid was not in the best interest of Brascan's shareholders. After analysing last year's Woolworth results, Edger had concluded that the acquisition would leave Brascan with a negative cash flow of \$100m a year, largely because of debt service costs.

Brascan plans to finance the acquisition with \$425m of company funds and a \$700m bank loan. Mr. Eytton said that several major Brascan shareholders had expressed concern to Edger, which was assessing its position as one of the company's leading shareholders.

If Woolworth decides to fight, it may well be able to count on some support among Brascan stockholders.

As well as worrying about the impact of Brascan's balance-sheet, Edger and some of the company's other shareholders apparently believe that Woolworth is the wrong sort of acquisition for a company with no retailing experience.

Panel criticises merchant banks

BY TIM DICKSON

THE ACTIONS of merchant banks S. G. Warburg and Lazard Brothers in the course of a major takeover bid have been described as "unfortunate" by the City Takeover Panel.

The panel was referring to the statement issued by Rockwell International of the U.S. on the advice of Lazard and Warburg, which indicated that Rockwell would be prepared to bid 95p a share for the UK motor components group Wilmot Bredren.

Later Rockwell, through Warburg, bought 30 per cent of the British company at 115p a share, and followed this with an offer for the remaining shares at the same price. The contrast between the two prices has since been the subject of anxious consideration by the panel.

In a lengthy statement yesterday the panel says it hesitates

to describe the action of Warburg and Lazard as "an error of judgment."

But while it emphasises that it has no fault to find in Rockwell's conduct, it feels "less happy" about some aspects of the two advisers' share in the way the offer developed.

The panel says that great care is needed in operations designed to affect the market, and that in a clearer case it would not hesitate to invoke General Principle 5.

General Principle 5 provides that it must be the object of all parties to a takeover or merger transaction to use every endeavour to prevent creation of a false market in the shares of an offeror or offeree company.

The Panel makes clear that Rockwell itself did not wish to put out a statement.

But Warburg and Lazard told the panel that they considered themselves obliged to announce the price because in their view there was a false market in Wilmot Bredren shares.

The figure of 95p was likely to be below that of an eventual offer, says the panel, and there would have been some advantage in waiting to see what happened at meetings about to take place, and which contributed substantially to Rockwell's reappraisal of Wilmot Bredren's value.

Last night Warburg said that it continued to feel that what it did was entirely within the spirit of the Takeover Code. Lex Back Page

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Civil Service pay dispute hopes rise

BY PAULINE CLARK, LABOUR STAFF

A REVISED pay offer to civil servants last night raised Government hopes that a settlement to the civil servants' national pay dispute was in sight before the Easter weekend.

The executive of the Civil and Public Services Association, the biggest civil service union and representing mainly clerical grades, agreed to recommend acceptance of the latest pay offer.

But the country's major air and sea ports continued to face the prospect of serious disruption to holiday traffic from today. Leaders of the Society of Civil and Public Servants, to which most customs and immigration officers belong, were still considering the last-minute improvement in the 9 per cent offer and have yet to make a decision.

Members of the society working in customs barriers at Heathrow Airport, London, Gatwick and the Port of Dover, brought forward by 24 hours to this morning their plans to stop industrial action over the Easter holidays.

Although the CPSA had decided not to involve its air traffic control members in seriously disruptive action over the weekend, it said existing selective industrial action would continue while consultations with members take place.

Holidaymakers also face disruption at Luton Airport where 200 manual workers threatened action over the weekend in support of a pay claim.

They announced a work-to-rule from tomorrow in support of a 15 per cent claim; they are also retaining the employment of 17 temporary staff for the holiday period. The municipally-owned airport has offered 9 per cent to the manual workers who include baggage handlers and security staff.

The delays their action are likely to cause will come on top of the hold-ups which will occur at Luton and elsewhere if the customs and immigration officers carry out their threats.

The SCPS members plan to restrict the number of passport checkers over the weekend. At the same time customs staff plan to increase the length of queues by insisting on rigorous checking of baggage.

Mr. Peter Simpson, Heathrow customs branch secretary, said: "We will search every bag coming through. The letter of the law will be applied to every passenger, and this will inevitably lead to long delays—possibly four hours."

Pound and gilts fall

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

STERLING and gilt-edged prices fell sharply yesterday afternoon. But the check to the recent euphoria in financial markets came too late to affect the outcome of yesterday's offer by tender of gilt-edged stock and the issue was heavily oversubscribed.

The fall in sterling, the pound and gilts preceded a consolidation of yesterday's offer after recent rises and market concern about rising U.S. interest rates and inflation prospects in the UK.

The trade-weighted index measuring sterling's value against a basket of other currencies, fell 0.5 to 67.3 after a day's high of 67.9. The main weakness came in the later afternoon following the announcement of a rise in the Price Commission's index of notified price increases.

The pound dropped by nearly 1½ cents against the dollar to \$2.0855, after the announcement, and closed 1½ cents down at \$2.0870.

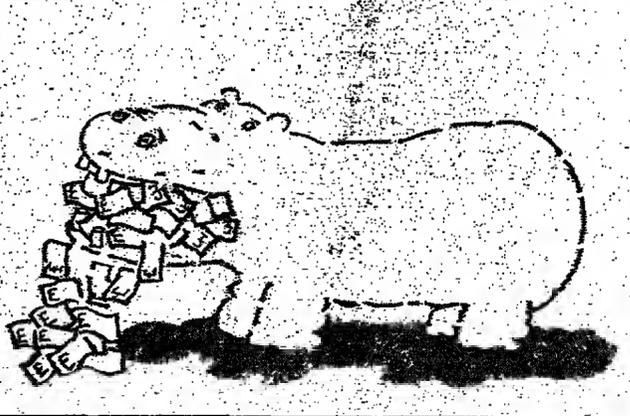
These movements were reflected in the gilt-edged market. Prices of long-dated stock were 1 of a point higher at one stage, but fell later and were up to 1 down after hours.

This will affect the opening prices of the new gilt stock, £200m of 11 per cent Exchangeable 1981. Only 115 per cent had to be paid yesterday, with the rest call on May 14, and this explains the attractions for those wishing to take a speculative position over the election.

The Bank of England announced last night that all allotments had been made at a price of £97.50 per cent coupon.

Continued on Back Page

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EUROPEAN NEWS

Italy turns to hydro-electric power

BY RUPERT CORNWELL IN ROME

ENEL, the state electricity agency, has announced a drive to exploit to the full Italy's unused hydro-electric power resources...

and the painfully slow progress of its civil nuclear programme. Sig. Francesco Corbellini, the new president of ENEL, declared that exploiting hydro-electric resources could yield the equivalent of an extra 2,000 MW of power...

eight nuclear power plants on stream by 1985, already beset by bureaucratic and environmentalist obstacles...

of 1978, and it was reported yesterday that over the past six months consumption, at 55m tons of imported oil, had outstripped deliveries by 8m tons...

Turkey re-opens talks with IMF

By David Toje

TURKEY and the International Monetary Fund (IMF) yesterday began two days of top-level talks aimed at ending the deadlock in their relations...

Portugal party calls for new electoral alliance

BY OUR LISBON CORRESPONDENT

PORTUGAL'S SMALL Christian Democratic Party (CDS) has called for a democratic electoral front uniting Centre-Right forces to fight general elections as early as September this year...



Prof. Diego Freitas do Amaral

At a news conference in Lisbon yesterday, Professor Diego Freitas do Amaral, the CDS leader, said the Front would be designed to wrest power from what he called the Left-wing majority in Parliament...

authority of Parliament and the development of a Western European style of democracy here. Prof. do Amaral said the proposed Front would, if conditions were right, press for elections this autumn as a way of breaking the 'Left' domination in the Assembly...

W. Germany to test alternative motor fuels

By Leslie Collett in Berlin

WEST GERMANY is preparing to launch one of the most ambitious programmes yet to test alternative car fuels by equipping 800 private and company cars to run on mixtures of petrol-methanol, alcohol-diesel oil and hydrogen...

Basle urges delay for nuclear plant

BY JOHN WICKS IN ZURICH

BASLE'S urban and rural cantonal governments say it is irresponsible for the federal authorities to grant a building permit now for a nuclear power station at Kaiseraugst, seven miles from the city...

Sit-ins and demonstrations have been held on the site and an information centre there was recently destroyed by an explosion. The meteorological report, published in December, referred to climatic alterations which could arise from the simultaneous operation of three nuclear power stations on the Rhine...

in precipitation as a result of the cooling towers to be imposed. Basle urban government says no hasty measures should be taken at present and that it shares the misgivings of much of the population as a result of the Harrisburg incident in Pennsylvania...

Ireland hold talks on oil price increase

BY OUR DUBLIN STAFF

THE IRISH GOVERNMENT and the major oil companies met yesterday to discuss the effects of the oil shortage in the country and to consider whether the price of fuel should be increased. The meeting came amid calls for the declaration of a state of emergency to relieve the fuel position...

Mr. Desmond O'Malley, Minister for Industry, Commerce and Energy, has been resisting pressure from the oil companies for an increase in prices. All of them have applied for a rise, thought to range from 4p to 6p a gallon. Mr. O'Malley was expected to have a recommendation from the National Prices Commission at the meeting...

The shortage of diesel oil is said to be seriously affecting the farming industry, as farmers are finding it difficult to obtain new supplies for machinery. Mr. Paddy Lane, of the Irish Farmers Association, has called for an inquiry into the present scarcity, to establish whether it is in large part contrived by the oil companies in order to make out of the last oil crisis...

Lufthansa deal averts stoppage

BY ADRIAN DICKS IN BONN

EASTER holiday flights by the Government-owned airline, Lufthansa, and its charter subsidiary, Condor, will go ahead normally after an agreement last night between management and unions over improved career structures for pilots. A threat of disruption to holiday traffic grew during protracted negotiations with the German staff federation...

Lufthansa pilots, who felt themselves at a disadvantage compared to colleagues at Condor. In another development yesterday, negotiations for 300,000 bank staff ended in a 4.5 per cent pay rise, plus extra holiday time that will make the average about six weeks.

wards the 35-hour week, which was the issue at the root of last winter's steel dispute in Germany. The trade union, Allied Economic and Social Science Institute, in Duesseldorf has issued its own figures for the 1978 wage round. Although the nominal 5.2 per cent average increase was one of the smallest for many years, the institute finds that the combination of low inflation and high increases in fringe benefits made 1978 one of the most successful years in real terms...

Jamaican leader seeks to boost trade with USSR

BY DAVID SATTER IN MOSCOW

MR. MICHAEL MANLEY, the Jamaican Prime Minister, yesterday met Mr. Alexei Kosygin, the Soviet Premier, for talks which were believed to focus on Jamaica's desire for Soviet trade and assistance to counter the country's mounting economic difficulties. The Soviet news agency Tass gave few details of the meeting in the Kremlin beyond saying that it passed in a 'friendly atmosphere' and the two sides agreed that the development of relations was in both countries' interest.

IMF pressure and falling prices for their raw materials, they want to increase trade with the Soviet Union and Eastern Europe, whose centrally planned economies create markets they consider potentially more secure. The Soviet foreign affairs weekly New Times, in its most recent issue, said that Jamaica's burden of foreign debt had forced the country last year to accept a \$240m loan from the IMF on 'onerous terms'. These terms, which included a 30 per cent currency devaluation and a limit on wage increases, 'hit the working people' and were intended to 'augment the profits of foreign and domestic capitalists', the journal said.

France worried by threat of Olympic ban

By David White in Paris

CONTROVERSY over two tours of France has caused the first, by an all-white Transvaal side, to be called off, on the recommendation of the French Government. The second, by the national team, the Springboks, which may include non-white players, is due to go ahead in October. Pressure is building up for the Government to stop the Springboks' visit, especially since the threat of an Olympic ban against France.

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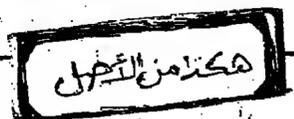
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Yugoslav-Bulgaria dispute heats up

By Paul Lendvai in Vienna

MRS. TSOLA DRAGOICHEVA, a senior Bulgarian party leader, has accused the Yugoslav leadership in a television interview of "hysterical" anti-Bulgarian feelings.

Mrs. Dragoicheva, a member of the ruling Communist Party, denied Yugoslav accusations of Bulgarian territorial claims maintained that it is Yugoslavia which, in the guise of concern for Bulgaria's non-existent Macedonian minority, is encroaching on the territorial and ethnic integrity of Bulgaria.

Mrs. Dragoicheva was reacting to a series of sharp and personal attacks in the Yugoslav media in connection with her recently published memoirs. While explicitly denying any territorial claims against Yugoslavia and recognising "the realities created after World War II, including the Macedonian Republic integrated in the framework of Yugoslavia," she nevertheless protested against what she called a gross distortion.

The Bulgarians refuse to recognise the existence of a Macedonian nation and of a Macedonian minority in the Pirin region.

Regardless of political colour, most Bulgarians regard Macedonians as Bulgarians speaking a slightly different dialect. In contrast, the Macedonians, who constitute a federated socialist republic within Yugoslavia, assert their own national identity.

Swindling the state has become commonplace in Eastern Europe. Paul Lendvai reports from Vienna

Black marketeering causes red faces

A RISING tide of economic crime, ranging from petty thefts to the misappropriation of state funds, from bribery of party and state officials, to a wide variety of black market dealings, is causing growing concern to the regimes in eastern Europe.

Fraud, theft, and speculation are usually associated with the shadowy world of the so-called "second economy" or "parallel market." In contrast with the conventional western image of the Communist-type regimented economy, centrally planned, controlled and managed with the precision of clockwork, this vast "second economy" is based on production and exchange carried out directly for private gain and more often than not consciously in breach of existing laws and regulations.

Illegal dealings and corruption also present serious problems in many western and Third World countries. But the Communist Governments are alarmed not only by the losses, running into hundreds of millions in local currencies. Economic crimes are seen as points of political and ideological infection, posing a threat both to the legitimacy and purity of the Soviet model.

Even in the Soviet Union more than 60 years have not sufficed to change human nature and to produce a new "Socialist man."

Moscow Pravda of December 24 last printed a lurid account of the highly profitable activities of black market operators who used the facade of a training workshop for the deaf in the town of Kazakh in Azerbaijan to manufacture knitwear. The products were marketed illegally in 32 distant cities in the Ukraine and Russia proper. This totally illegal business flourished for five years. Its scale can be gauged from the fact that as many as 58 individuals were sentenced long terms after an 11-month long trial in the Ukrainian city of Donetsk.

Because of their closer contacts with Western neighbours, their comparatively larger pri-

vate sector, and different lifestyles and traditions, the smaller Eastern European states provide more promising breeding grounds both for big-time operators and embezzlers.

The key factor is that the workers, accountants and members of the lower ranks of officialdom refuse to think of "Socialist property" (i.e. State property) as something that belongs to them. Comprehensive figures of the damage caused are difficult to obtain.

In Czechoslovakia official statistics show that there is an average of between 14,000 and 15,000 cases of theft of socialist property each year. As a Polish paper once put it, swindling the State has become so common that it has almost become respectable. It is however important to note that undetected offences cause much larger losses than the official figures would indicate.

Hungarian experts estimate that on the basis of the most cautious calculations damage done to State property totals the equivalent of £15m-£20m annually in addition to the £5m caused by 25,000 petty and major offences recorded by the authorities in 1976.

It is possible to discern four main, though frequently overlapping groups of so-called economic criminals. The first and most numerous group is composed of ordinary workers. Despite the introduction of so-called "Comrades' Courts," the Eastern European Press cites many cases of pilfering. The chauffeur in Warsaw who, though employed by a ministry, carries private passengers during the rush hours, or the lorry driver of a collective farm in Hungary who transports building materials for private individuals are among the most commonly quoted examples to show that almost everyone is searching for something on the

In Hungary for example one-in-five State-owned vehicles inspected last year was involved in some kind of illegal activities. In Czechoslovakia lorry drivers forged returns of their fuel consumption and sold the unused fuel vouchers to the

manager and the eight employees provided cars in good condition and almost immediately passing over other intending buyers who were waiting. Proceeds were collectively distributed, even those on holiday or sick leave getting their due share.

The chief of the subsidiary office of a Hungarian civil engineering company in West Germany, Mr. Ferenc Farkas, ran a much more sophisticated operation. He and his successor engaged with dozens of employees in foreign exchange speculation, partly by financing holidays for their German friends in Hungary with forints at a black market rate, partly by purchasing pocket calculators, video recorders and similar coveted luxuries which could be brought in duty free by engineers and technicians whose term of stay in Germany had expired. The three main culprits smuggled goods into Hungary in the tune of some £60,000.

This category of white collar employee also tends to play the role of a "transmission belt" linking legal and illegal private entrepreneurs both with pilfering workers and the lower and middle echelons of the state and managerial bureaucracy.

Motor mechanics and market gardeners, carpenters and shopkeepers when faced with stringent controls or exorbitant tax and rent increases are often all but forced to resort to bribery if they want raw materials or a better location for their business. The transition from "legal" to "illegal" operation is usually swift, depending on the political climate. This in turn means that the private artisans and shopkeepers form the third group of potential "criminals."

Among the many reports of economic crimes in eastern Europe, those about a fourth

group of economic offenders, the corrupt state and managerial bureaucrats, have attracted special attention. Recent examples from Romania provide some insight. The Romanian Press last autumn discussed the case of Mr. Gheorghe Stefanescu, whom it described as "probably the greatest scoundrel in recent history." Though claiming only a nominal monthly income of £70, Mr. Stefanescu made 17m lei or about £700,000 by selling untaxed wine and spirits after bribing managers of state liquor shops. More than 20 accomplices, including directors of wine cellars, court officials, and even Mr. Tudor Balacescu, the first secretary of the capital's eighth district party committee, were arrested.

Mr. Marin Simion, 39, was another ingenious operator and a black market millionaire in Bucharest. This underground entrepreneur obtained large quantities of plastics and machinery on the black market, organised the production of toys and other consumer goods, employed labour, and distributed the products through a network of business contacts. On trial, he gave his profession as an unskilled labourer. Mr. Simion possessed an eight-room house on a fashionable boulevard, and could afford not only a maid but also a large American car with chauffeur.

During the trial it came to light that the speculator had been sentenced before in 1972 for illegal enrichment, but had apparently never paid the fine. Scintila, the Bucharest party paper, left open the question how he and several other big-time operators had repeatedly managed to escape punishment. In three weeks last October the police reportedly arrested 197 people for various black market activities. Nevertheless, it is President Nicolae Ceausescu of Romania is second to none in eastern Europe, in insisting on

"socialist ethics" and launching public campaigns against the violations of Communist morality. Punitive measures, including even the execution of a high foreign trade official in 1973 for taking a bribe of £60,000 from foreign business partners, and the purge of the two last Ministers of Housing and Construction as well as of several Central Committee members for alleged misuse of office may have frightened would-be offenders, but crime continues.

Last November the former First Secretary of Neamt county and at the time Romanian ambassador to Bulgaria, Mr. Stefan Bobos, was expelled from the party and several local dignitaries lost their jobs because of "serious irregularities" involved in the construction of six sumptuous villas in the picturesque mountain resort of Piatra Neamt. As a result Mr. Ceausescu imposed a ban on the construction of weekend houses or second flats. Henceforth Romanian families may own only one flat.

But the black market operators and petty offenders continue to operate in an environment which has not proved conducive to the "moral transformation of Socialist man."

Chronic shortages of high quality consumer goods and from time to time even of basic commodities coupled with the quest of the lower-rank officials for status symbols such as cars, weekend houses, and travel to the West are bound to cause an atmosphere of institutionalised creeping corruption and a deformation of public morality. To make things worse, the privileged life-style of the top political establishment with access to special shops, a fleet of luxury cars, foreign trips, elegant homes for a nominal rent, virtually unlimited expense accounts and even access to selected hospitals reserved for the officialdom, is in striking contrast with what is supposed to be an "egalitarian ideology."



"Why didn't you tell us you were coming to visit? Joseph thought you were the police."

garage attendants who in turn sold diesel oil to drivers of foreign lorries. Some 700,000 litres of diesel oil were misappropriated in this way. Some of the culprits built themselves weekend houses with the proceeds or even opened accounts in Austrian and German banks.

The pattern of crime is different in a second category, composed of white-collar employees in the socialised production, trade and distribution apparatus. The offences are mainly but not exclusively embezzlement, fictitious purchases, making out false inventories. In Poland for example the unending series of trials of meat black marketeers

ing from one to seven years for theft and illicit trading.

The increasing number of private cars and the inability of the regimes to satisfy mounting popular demand for more, coupled with difficulties with servicing and spare parts have also given a powerful fillip to the "second economy."

Here, too, groups are in a much better position than are loose operators to carry on large-scale fraudulent activities for a considerable time. The Number Three centre of Merkur, the Hungarian state agency for sale and purchase of cars in the city of Pecs, between 1971 and 1977 took 117 detected bribes, ranging from £5-£120. In exchange,

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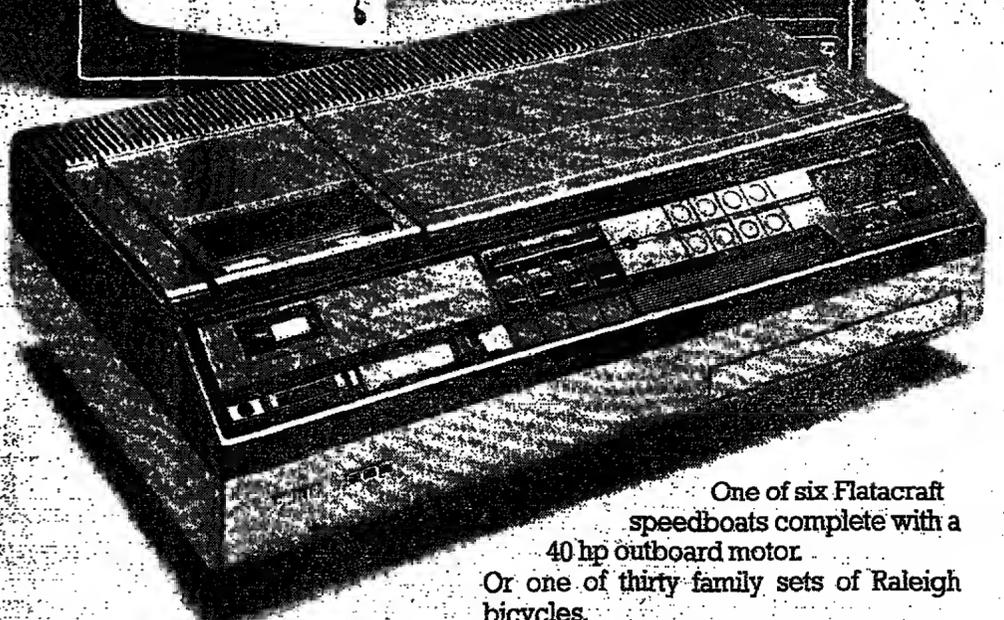
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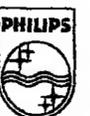
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OVERSEAS NEWS

Hong Kong dollar falls again

By Anthony Rowley in Hong Kong

THE HONG KONG dollar declined further yesterday to a low of around \$HK5.1550 to the U.S. dollar before reported intervention by the authorities brought a slight recovery.

While there has been no confirmation of official intervention, dealers suspect it. Official policy is to smooth out abnormal fluctuations in the exchange rate rather than to stem any sustained, underlying trend. But there are reasons for thinking that the authorities are trying to stop the rot at around \$HK5 to the U.S. dollar.

Apart from the effect which the Hong Kong dollar's slide is having on the already very wide trade deficit, some dealers think the psychological impact of letting the local unit sink much further could be marked on the local investment community as well as in the foreign exchange market.

This could discourage capital inflows, which have been considerable in sectors such as property, and even encourage outflows, which in turn would have a further adverse effect on the Hong Kong dollar.

The trade-weighted exchange rate of the Hong Kong dollar, based on a basket of currencies, fell to 90.6 yesterday against 91.5 on Tuesday. This compares with an index of around 104 a year ago—a fall of nearly 13 per cent.

Egypt will permit Israel to bid for Sinai oil search

BY DAVID LENNON IN TEL AVIV

ISRAEL WILL be entitled to bid for oil exploration concessions in Egypt on the same basis as any other body, according to a senior Egyptian oil official. This would apply especially to the Sinai peninsula which Israel will be handing back to Egypt under the peace agreement signed two weeks ago.

Egypt is planning to invite bids for "relinquished areas," according to the Egyptian General Petroleum Corporation, and Israel would be entitled to submit bids.

Mr. Ibrahim Radwan, the Corporation's general manager (agreements), said: "Israel has got the same rights as any other body. There is no reason why Israel should not submit bids for economic participation with Egypt."

Mr. Yitzhak Modai, Israel's Energy Minister, said yesterday that he had been given to understand, in meetings with Egyptian officials that Israel would be entitled to make commercial exploration bids. He said he hoped to meet his Egyptian counterpart soon to work out the details of this and other future arrangements.

Mr. Modai said that Israel would consider bidding for exploration concessions in those areas of Sinai where Israel had

already been carrying out oil and gas searches.

This would not apply to the Alma oil field discovered and operated by Israel in the Gulf of Suez because this was in a concessionary area already granted to Amoco. This field is due to be handed over to Egypt by the end of the year.

Egypt has not yet allocated the concession for a series of blocks which lie between the current border and the interim line to which Israel will withdraw within nine months.

Israel has explored part of this area, stretching from the east to the Bardawil Lagoon to El Arish on the north Sinai coast and to the north and south of that area. Three wells were sunk, and though no oil was found in commercial quantities, the rig did hit good gas shows. Israel suspended the work there a few months ago, as the peace process appeared to be nearing a conclusion.

Meanwhile, Mr. Menahem Begin, the Israeli Prime Minister, has said that Israel's plans to build more Jewish settlements on the occupied West Bank and in the Gaza Strip will not be affected by its peace treaty with Egypt.

In an interview in a number of local papers yesterday he

said: "Israel has the full right to settle in Judea and Samaria (the West Bank) and Gaza. That is essential for the security of the nation."

Mr. Begin denied a report by one of his Cabinet Ministers that the Government had decided to begin building 10 new settlements on the West Bank during the Passover holiday week, which started last night.

However, Israel radio reported that a meeting of senior Cabinet Ministers, including Mr. Begin, had decided on Tuesday evening to start work immediately on two new settlements on the West Bank. One will be an urban centre beside Nahal, one of the West Bank's largest towns, and the other will be a regional centre to serve other Jewish settlements built in the occupied territory.

Iranian Hajj adds from Beirut: Rocket and artillery duels raged across the Lebanese-Israeli border yesterday between Palestinian guerrillas and the Israelis in the wake of Tuesday's air strike by Israeli jets against Palestinian targets in Southern Lebanon.

The Israelis reported that a woman was slightly wounded in Kiryat Shmonah and that their gunners returned the fire.

11 more of the Shah's top men executed

TEHERAN—Eleven more top officials of the Shah's Administration have been executed by firing squad after secret trials by revolutionary courts.

They included two former Savak chiefs, General Hassan Pakravan, who was also an ambassador to France and Pakistan, and General Nasser Moghadam, a former Speaker of the Majlis (Iran's former Lower House of Parliament) Abdollah Riazi, and Mr. Abbas All Khalafari, a former Foreign Minister.

So far 90 people have been executed after secret trials following the revolution in February. Nearly half were carried out in the past week since regulations on political trials were announced.

The charges against the men included corruption, collaboration with the Shah's regime and "acts against the people."

Simon Henderson writes from Tehran: The full degree of post-revolutionary chaos in the Iranian armed forces was revealed this week when foreign military attaches had their first meeting with the new Supreme Commander's staff at a reception in the capital. They found that neither the Iranian army nor navy was represented.

The three officers there, General Nassir Farbod, the Chief of Staff, and the deputy commander of the air force, were all wearing civilian clothes. The attaches were surprised by the officers' ignorance and apparent lack of authority.

Attaches estimate only about 150,000 soldiers are in their barracks — the rest have deserted. Air force technicians, who switched loyalty to Ayatollah early on, still form a significant part of the revolutionary militia.

The future of the armed services is seen as either a reconstituted force with normal chains of command or as an army of committees with each unit electing its own officers and commanders. The first is favoured by Mr. Mehdi Bazargan, the Prime Minister, and Iran's middle classes, while the Left-wing guerrillas, the Fedeyeen, and the Islamic guerrillas, the Mujaheddin, favour the latter.

The resolution of these differences is seen as potentially the most dangerous crisis facing Iran over the next few months. A likely third party to any fighting is a revolutionary guard now being formed from direct supporters of Ayatollah Khomeini.



Indian troops on patrol—with traditional infantry equipment

INDIAN DEFENCE REQUIREMENTS
Modernising the military

BY K. K. SHARMA IN NEW DELHI

WITH MORE than 1m men under arms, India's Defence Ministry is finding that its elaborate plans for providing adequate arms are obsolete. A French defence five-year plan has been formulated which will focus on manufacture of modern armaments within the country. But inevitably foreign collaboration and tie-ups have to be made for the modernisation programme.

A high-power defence team is now in Europe visiting shipyards to evaluate the performance of submarines. As in the case of the Jaguar deal with British Aerospace, under which India will buy 40 aircraft carrier and manufacture another 120 to plants to be established in India, the Defence Ministry is seeking arrangements by which submarines can also be made in a new shipyard to be established.

The team is holding talks with companies in France, West Germany, and Sweden, after rejecting offers from the Netherlands and Italy. The talks are on initial purchase of two submarines and then for further manufacture under licence in India, very much like the Jaguar deal.

The Indian navy is being modernised, not only in respect of submarines, but also by renovating its only aircraft carrier, the Vikramt, and equipping it with Harriers to be brought from Britain. The vertical-take-off Harrier is the only kind of weapon for which the Defence Ministry does not want a licence to manufacture in India. About 20 are to be bought outright initially and the number will be increased later, after the programme in Indian companies has been assessed.

In addition to the Harriers and the two new submarines, the Defence Ministry hopes to give the navy additional strike

power through surface ships and missile boats. The latter will have the latest technology available. India has a long coastline to protect, in addition to patrol duties in the Indian Ocean where the U.S. and the Soviet Union are building up their fleets despite protests by the littoral states.

The Indian army is awaiting an early decision by the Government on the choice of a modern tank, apart from improving the quality of its artillery and acquiring the latest anti-tank weapons and rocket system. The choice of the new tank is narrowing down to the Soviet T-72 and the British Sher-Iran, the modified version of the Chieftain now available for sale. The West German designed Leopard II has been ruled out because of Bonn's reluctance to offer it to India and because of its high price.

The army has obtained two T-72 tanks from the Soviet Union for intensive tests of their performance in Indian conditions to assess their operational capabilities. The T-72 is an advanced tank equipped with the latest sighting devices and firing mechanisms and at the moment it is the first choice.

The British-built Chieftain modified for Indian needs is not considered suitable for India. But since Iran has cancelled a number of its orders, the Defence Ministry is exploring the possibility of getting the British tanks at economical prices. Should the terms be right, the orders from the Indian army might well go to Britain.

The choice is to be made very soon so the British will have to do some quick selling if they want to win the Indian order which will be worth several hundred million pounds. Marshal Dmitri Ustinov, the Soviet Defence Minister, is ex-

pected in Delhi for talks soon to take up the thread of discussions held during the recent visit of Mr. Alexei Kosygin, the Soviet Prime Minister.

So far as the Indian Air Force is concerned, the Jaguar will be the mainstay of its striking power. It already has MIG-21s built in three Soviet-aided factories in India and the latest model is now in use. However, the assessment is that the Jaguar will need a supplement and the Defence Ministry is exploring with the Soviet Union the possibility of acquiring later versions, possibly the MIG-23, since the Russians have withdrawn their offer of the MIG-25 which the Indians really want. If talks on the MIG-23 go smoothly, this aircraft will also be manufactured in India.

The modernisation programme for the three services will take at least three years to carry out, but there is no hurry since India does not expect an immediate threat from across its borders. China is still showing signs of wanting to meet fences and the threat from Pakistan is no longer serious because internal upheaval rules out military adventures. The main purpose of the Defence Ministry's multi-pronged effort is to keep abreast of the latest advances in defence technology and to begin preparations immediately to face the expected strategic challenges of the 1980s.

The Government's dual policy of buying equipment and developing indigenous capacity to manufacture the entire range of modern armaments, from supersonic aircraft and advanced naval vessels to the latest in guns and tanks, has two aims. It hopes to give the country a high degree of self-reliance in the long run while meeting its present defence needs in the rapidly changing regional environment.

Economic upturn predicted for Rhodesia

BY TONY HAWKINS IN SALISBURY

RHODESIA'S MINISTRY of Finance yesterday predicted an upturn in the economy this year as a result of an improved security situation and the lifting or lessening of economic sanctions after the majority rule elections.

In its annual economic survey, the Treasury said that following a 3.6 per cent decline in real gross domestic product last year (6.8 per cent fall in 1977-78) it expected the economy to gather momentum in the latter half of 1979. There would still only be marginally negative real economic growth.

The survey reported a marked improvement in the balance of payments last year which swung from an overall deficit of 47m Rhodesian dollars (\$33m) to a surplus, on current and capital accounts of \$Rh31m (£22m). That was the result of a 13 per

cent rise in exports which outran the 3 per cent increase in imports. Imports fell 9 per cent in volume but sharply higher import prices pushed values up and led to a 6 per cent deterioration in the terms of trade.

There was a small current account surplus of less than £10m and also a net capital inflow (reflecting Government borrowing abroad) of \$Rh17m (£12m).

The 3.6 per cent fall in real GDP made it the fourth year in which real output had declined and took the cumulative fall since 1974 to more than 13 per cent. Over the same period the country's population had increased by about 13 per cent so that living standards had declined by about 25 per cent and were now virtually back to their levels of the mid-1960s.

The survey reflected a better than expected outcome in 1978

since in mid-year the Government was forecasting a fall in exports and a 7 per cent decline in real GDP. However, the survey said, there was an upturn in trade and in commodity prices in the second half of 1978 which reduced the rate of negative growth. The economy continued to be dominated by economic sanctions and the security situation.

In its forecast for 1979 the Treasury assumed that progress would be made by Zimbabwe-Rhodesia's first Government in improving the security situation and in having sanctions either lifted or markedly lessened.

It predicted an improved balance-of-payments situation allowing for a gradual increase in import allocations, though this would be eroded to some extent by higher costs of fuel imports and a fall in the volume

and value of agricultural exports—attributable to last season's drought.

There should be an improvement on capital account with a net inflow of both foreign investment and of development aid if sanctions were lifted.

Once there was evidence of an improvement in the security position, net emigration of whites should decrease and then reverse.

Rhodesian aircraft struck into Zambia on Tuesday night for the second time in a day against Patriotic Front guerrillas. A communication from military headquarters in Salisbury said aircraft carried out several strikes against a base belonging to guerrillas commanded by Mr. Joshua Nkomo, near Mulungushi, north of the Zambian capital, Lusaka.

'1978 was a year of success and strain for British Rail'

Points from British Rail's Annual Report and Accounts for 1978 Sir Peter Parker, Chairman

Surplus
The Board had an operating surplus of £58.3m before interest.
Cash Limit
The Railway again delivered the Contract, beating the agreed price by £8m. This was £56m below the cash limit set by Government.

Results year ended 31st December 1978.

Income	Year 1978	Year 1977
	£m	£m
Railways (incl. Government & other contract payments)	1,647.5	1,428.2
Freightliner	21.0*	
Rail Workshops—external sales	29.2	9.6
Ships & Harbours	154.2	131.2
Hovercraft	5.6	4.0
Hotels	33.7	29.9
Travellers-Fare	49.8	43.0
Property	33.3	29.0
Transmark	4.5	2.9
	1,978.3	1,677.8

*from 4 August 1978.

Passengers
More people travelled more often and for longer distances and passenger miles recorded were the highest for four years, with passenger volume up by 3 per cent.

Freight and Parcels
Non-passenger rail activities made a small surplus in 1978 with the combined freight and parcels businesses meeting financial targets only three years after requiring Government support of £66m. Freightliner

The container carrying company, Freightliners Ltd., became a wholly-owned subsidiary of the Board on 4 August and achieved an operating surplus of £0.9m in the full year.

Exports
The Queen's Award for Export Achievement was earned by Transmark, the Board's transport consultancy, for a near sixfold increase in overseas earnings. British Rail Engineering Ltd., won export orders worth £50m.

Ships and Harbours
Shipping Division had a record year with an operating surplus of over £12m, as it prepared to become a wholly-owned subsidiary of the Board, Sealink UK Ltd., from 1 January 1979.

Hovercraft
Seaspeed's new jumbo hovercraft, the Super 4, went into service using the new purpose-built Dover hoverport.
Hotels and Catering
Earnings from overseas visitors at British Transport Hotels rose by 22 per cent and profits from station catering were also higher.

Operating Surplus/(Loss)	Year 1978	Year 1977
	£m	£m
Railways:		
Operating Result	22.1	30.9
Operational Property	18.2	13.7
Commercial Advertising	2.6	2.0
Travellers-Fare	(4.1)	(1.8)
	37.8	44.8
Freightliner	0.8	0.3
Rail Workshops—external sales	0.1	0.6
Ships & Harbours	12.2	9.2
Hovercraft	(2.2)	(0.6)
Hotels	1.0	1.5
Non-Operational Property	7.0	7.0
Transmark	0.3	0.3
Other Income (net)	1.3	5.3
Surplus before Interest	58.3	68.4
Taxation—Overseas	0.2	0.2
Interest & Other Financing Charges	51.6	38.5
Result before extraordinary items	6.5	29.7

Property
Property Board objectives were again met, with an increase in gross revenue from railway operational and non-operational property.

Advertising
British Transport Advertising had another record year and contributed a net surplus of £2.6m from the sale of commercial advertising on the Board's property.

British Rail's Annual Report and Accounts is available from HMSO or from British Railways Board, 222, Marylebone Road, London NW1 6JL. (Price £1.50).



Australian truck dispute over

By James Forth in Sydney

AUSTRALIA'S nine-day truck-drivers' dispute ended yesterday when the drivers went back to work after obtaining promises of major concessions.

At the height of the dispute up to 400 trucks and transport rights were estimated to be involved in blockades of routes into major cities.

The states have now agreed to concessions on road taxes which the drivers claimed were too high and on freight haulage charges which they said were too low.

Power crisis halts W. Bengal industry

BY OUR NEW DELHI CORRESPONDENT

WEST BENGAL STATE MPs have given warning of a possible breakdown in law and order as a result of a power crisis which has brought all industrial production in the state to a standstill. They said the threat of layoffs would also aggravate the critical situation.

The state Government has ordered factories to close at least until Saturday to avert the immediate crisis which has been caused by the shutdown of two major generating units owing, among other things, to poor maintenance. The industrial production loss is said to be more than Rs100 (£60m) a day.

Of West Bengal's needs of 570 MW, power generation was short by more than 200 MW. Only essential services such as hospitals and water pumping stations are being supplied with power and even these are not functioning normally. Mr. Jyoti Basu, the Chief Minister, was unable to

say when normal power supply would be resumed.

Mr. Kantala Bhattacharya, the Industrial Minister, said the decision to ask all industries to cease working was taken after a meeting with trade union leaders who have rejected employers' demand for a wage cut during the period of the closure.

The two on-off-action power stations are at Santalini and Bandal. Mr. Basu denied rumours of sabotage saying the breakdown was accidental.

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AMERICAN NEWS

Foreigners buy 70% more U.S. companies

BY JOHN WYLES IN NEW YORK

THE PACE of merger and acquisition activity in the U.S. accelerated sharply in the first quarter compared with a year ago and featured a significant 70 per cent increase in the purchase of American businesses by foreign companies.

The possibility of restrictive merger legislation passing Congress joined relatively cheap equity values as a spur to mergers and acquisitions, according to the latest survey by W. T. Grimm, the Chicago-based merger specialist and intermediary.

merger and acquisition announcements reached 580 in the first quarter, up 14 per cent from the 511 recorded in the same period last year. The size of the deals also increased significantly, with 24 costing more than \$100m, compared with 13 a year ago.

Both the Department of Justice and the Senate Judiciary Committee have proposed a ceiling on the size of merger deals, which helps explain the rising trend in their size, says Grimm.

The dollar volume of the agreements for which the purchase prices are known totalled

\$10.9bn compared with \$6.5bn a year ago.

While tender offers increased from 30 to 41, more were contested than last year, 22 per cent compared with 18 per cent.

Foreign concerns acquired 63 American companies, only 37 a year ago. In the first quarter, foreign purchases were concentrated in the wholesale and retail industries, finance, banks and insurance, electronics, drugs and cosmetics and medical equipment. Canadian, British and French companies were prominent among the buyers.

The dollar volume of the agreements for which the purchase prices are known totalled

Peru generals give in over Press

BY NICHOLAS ASHESHOV IN LIMA

THE MILITARY Government has been forced to give in to a group of hunger-striking journalists and has in effect promised to reopen 10 magazines and political pamphlets closed three months ago on "national security" grounds.

The hunger strike was about to enter its second week when official statements were broadcast on radio and television to the effect that in the interests of "national unity" and the "transference of power" to civilian rule, steps would be taken to reopen the magazines. General Fernando Veliz, the Minister of the Interior, said the ending of the strike was "extraordinarily positive."

The incident caused a major confrontation between President Francisco Morales Bermudez and hardliners within the military who have apparently been stalling on preparations to hold



Herr Schmidt... influential

general elections later this year or early next year.

The dispute came to a head during the five-day official visit, which ended yesterday, of Chancellor Helmut Schmidt, of West Germany, whose influence was apparently decisive. Left-wing delegates to Peru's constituent assembly were about to declare

themselves on indefinite hunger strike during Herr Schmidt's formal address — an embarrassment to the military who have been trying hard to put across a pro-human rights image.

The hunger strike reflects difficulties that both the military and the civilian political parties are having in returning to civilian rule after 10 years.

The recent illness of Sr. Victor Raul Haya de la Torre, 64, the Populist APRA Party leader, has made it obvious that no outstanding candidate or party exists to take over from the military.

Sr. Haya's illness, and the closure of the magazines had given the impression to the political parties that the military were preparing to hold on to power. The increasingly optimistic financial and economic forecasts being made for this year and next had encouraged this view.

Peace Corps chief under attack

BY JUREK MARTIN, U.S. EDITOR, IN WASHINGTON

THE HOUSE of Representatives has vowed to remove the Peace Corps, the U.S. overseas volunteer service, from the control of a government department and place it under a new agency which has yet to be created.

The complicated piece of Congressional legislation, which could well be nullified in due course by the Senate, is most noteworthy because of the attention it has focused on the Peace Corps and the policies imposed on it by its overall boss, Mr. Sam Brown, director of Action, the umbrella agency handling both domestic and foreign volunteer programmes.

Mr. Brown, a leading anti-Vietnam war activist more than

10 years ago, has sought, in the opinion of his critics, to give the Peace Corps too ideological a twist by involving it more aggressively in the most sensitive parts of the world, especially Africa.

This prompted a major rift with the former head of the agency, Dr. Carolyn Payton, who resigned late last year largely because she felt that the Peace Corps' traditional low profile role was being sacrificed for political purposes.

The vote in the House may be seen as a direct criticism of Mr. Brown. What the House did was to shift control of the Peace Corps to the proposed new International Development Corporation.

The debate has taken place inside the context of the whole foreign aid Bill, for which the Administration has been lobbying hard. As expected, the House on Tuesday cut 5 per cent off the Administration's requested \$4.7bn foreign aid package—a smaller cut than conservatively had been demanded and a reduction which left intact such politically important items as the funding of aid to Israel and Egypt.

But the activities in the House are only the preliminary skirmishes in a protracted battle over foreign aid which is likely to drag on for most of the legislative year. Mr. Brown and the Peace Corps will remain a pawn in this confrontation.

Time 'running out' for SALT pact

By David Buchan in Washington

THE CARTER Administration has about a month to complete a SALT nuclear arms agreement if it wants the U.S. Senate to vote on the treaty this year, according to Senator Howard Baker, the Republican leader.

The view that time is running out was also expressed by another key Senator, Mr. Frank Church, who chairs the Foreign Relations Committee.

Though Mr. Cyrus Vance, the Secretary of State, and Mr. Anatoly Dobrynin, the Soviet ambassador to the U.S., have met twice in the past week, President Carter said there still had to be "clarifications in the stance" of the negotiators.

One possible cause is that the U.S. is trying to reach a separate agreement with Moscow on the testing of anti-satellite weapons. The White House revealed this week that it has proposed to the Soviet Union a one-year ban on testing such weapons, which has relevance to a SALT treaty because satellites are the chief means by which the two superpowers can detect any cheating by the other on the treaty's provisions. The Soviet Union has a large lead in these weapons.

Mexican gas talks make good progress

BY WILLIAM CHISLETT IN MEXICO

MEXICO AND the U.S. are now making progress towards drafting an agreement on selling natural gas to the U.S.

Negotiations to sell 17bn cubic feet of gas a day, at \$2.60 for 1,000 cubic feet, broke down at the end of 1977, when the U.S. Energy Department vetoed the price agreed between Pemex, Mexico's state-owned oil monopoly, and six U.S. gas distribution companies. The Mexican Government then declared that the gas would be used only if it was a surplus.

After 18 months of bitter recriminations, talks resumed at Government level last week with the aim of reaching agreement on guidelines by the summer, when Sr. Jose Lopez Portillo, Mexico's President, is going to the U.S. This would then permit Pemex and the U.S. gas distribution companies to re-open talks.

Pemex has insisted since 1977 that it could use all its natural gas domestically, and is going ahead with a national gas pipeline system. It has also maintained that only 300m cubic feet of gas a day is feared.

There are now signs that this position has been reversed. Sr. Jorge Diaz Serrano, Pemex's chief, said last week that Pemex would have a surplus of 300m cubic feet a day by the middle of the year "which would be available for export."

Sr. Diaz Serrano offered no explanation for such a large surplus being suddenly available. Privately, it has been known for a long time that the surplus was far higher than officially admitted.

Sr. Diaz Serrano's statement coincides with a report by the Mexican Petroleum Institute, which is closely linked to Pemex, that by 1982 the natural gas surplus will be 2.8bn cubic feet a day.

The U.S. based on forecasts that Mexico will produce 2.2m barrels of oil a day by 1980, and will then keep to this ceiling until 1982.

A U.S. official said the two sides were still "far apart" on some issues. Pemex is believed still to be insisting that the gas price be calculated according to the price of number two light fuel oil landed in New York harbour, which would make the asking price about \$3.15. The amount for export is not known. However, there are reports that Mexico would be prepared to accept \$2.80.

Old doubts

BY DAVID TONGE

THE Three Mile Island accident has revived and strengthened the old doubts about Price-Anderson's nuclear liability insurance. What happens, for instance, if claims exceed \$560m? Would the money go to the first claimant, causing a race to the courtroom door? Or would it be shared out?

Congress has promised to make "surety payments" if the money runs out, but the strength of its commitment, and the speed with which it would act, have never been tested.

No one has yet died in a nuclear-related accident at a U.S. power station, and the number of minor accidents was small until Three Mile Island. In 22 years ANI had paid out less than \$1m in claims, and a record which was said to speak strongly for nuclear safety.

However, Price-Anderson's days may be numbered. Seventeen Congressmen have now sponsored a Bill to end the liability limit, either by increasing the levies or committing the Government to

defence cooperation agreement. This is now being discussed at a technical level, though reports in the Ankara weekly Diplomat talk of "no progress at all." One local newspaper has, however, talked of a measure of agreement being reached.

Mr. Robert Byrd, a U.S. Senator, has said that he does not think the U.S. Senate should ratify SALT-II before receiving assurances from Turkey that the U.S. can rely on the monitoring installations on Turkish soil.

The U.S. Administration is seeking to supplement its \$300m annual military and economic aid package to Turkey for 1979-80 with \$150m emergency aid. President Carter announced on Tuesday. He hoped Britain, France and West Germany would "more than match" this figure.

Insurers count cost of the 'safest risk'

By David Lascelles in New York

AMONG the thousands of Government officials, journalists, anti-nuclear protesters and sightseers who descended on Pennsylvania after the nuclear accident at Three Mile Island were representatives of the people who will one day have to foot the bill: the companies who insure nuclear power stations in the U.S.

The U.S.'s worst nuclear accident so far will probably result in the biggest pay-out since nuclear insurance became organised 22 years ago. The plant itself carries \$140m in liability insurance and \$300m in property insurance. When the emergency was called off, insurers had already paid out over \$600,000 in relocation claims to some 8,000 pregnant women and children.

Public exposure to radiation was small, at worst only a few times a normal X-ray dose, but the accident has already revived debate about nuclear insurance. Nuclear power is an all-or-nothing risk: nuclear accidents do not happen, but when they do, the effects can be large.

Nuclear power was recognised early in the U.S., but because the Government was then enthusiastic about nuclear power (when it was hailed as "too cheap to meter"), it decided to make sure that lack of liability insurance should not be an obstacle to its development.

In 1957 Congress passed the Price-Anderson Act which provided for a joint insurance pool comprised of the Government and the commercial insurers, organised into two groups, American Nuclear Insurers (ANI) and Mutual Atomic Energy Liability Underwriters (MAELU).

At the time, the maximum capacity, commercial insurers could put together was \$60m, but the Government pledged a further \$500m, which seemed enough to cover the worst conceivable nuclear disaster, though it also limited all nuclear power stations' liability to that amount.

However, the Government did not pledge \$500m for ever: it would only make up the difference between the total commercial insurance available and \$50m.

The original Act was to last 10 years. By the time it came up for renewal the commercial insurance pool had risen by \$10m to \$70m, and the Government pledge had dropped appropriately. But there was still a need for Price-Anderson, so the Act was extended for a further 10 years, with a no-fault clause added to simplify compensation.

As the anti-nuclear storm gathered, Price-Anderson ran into heavy weather. The measure began to be criticised as a government subsidy of a danger to the environment. When it came up for renewal again in 1977, there was strong pressure for the Government to get out.

\$5m levies Congress devised an amendment to reduce its exposure without causing the collapse of nuclear insurance. A maximum \$5m "retroactive premium" would be levied on all existing power stations in the case of an accident. All nuclear utilities had to show that they could call on enough funds to meet two \$5m levies a year, though commercial insurers and the Government agreed to step in when there were defaults.

When the law was amended, there were 67 U.S. nuclear power stations, making a total possible liability of \$337m. An accident. Added to this was the commercial pool, which had swollen to \$160m. The combined total of \$497m meant that the Government had to commit itself to only \$85m to bring the total up to the original \$560m. Today the Government's share is \$60m.

The Act was attacked by opponents of nuclear power who claimed it was encouraging its development by providing easy insurance. Others said that \$560m was no longer enough to cover a nuclear disaster.

UK trade to W. Germany weakens

BY GUY HAWTIN IN FRANKFURT

THE LATEST trade returns give grounds for anxiety over Britain's export performance in West Germany. Not only is the rate of UK sales growth slipping, but a significant slice of last year's increase came from exports of agricultural products and raw materials—not the least of which is North Sea oil—rather than manufactured goods.

Figures produced by the Federal German Statistical Office show that last year sales of food, agricultural products, improvements to agriculture, trade, changes in the legal framework governing the existing general agreement on Tariffs and Trade (GATT), together with other accords which are described as bilateral or plurilateral agreements because they do not have the backing of all the countries participating in the negotiations.

If the current talks in GATT's Trade Negotiations Committee (TNC) proceed smoothly, most of these agreements will come into force in January, 1980. Under a key agreement associated with the main Tokyo Round package customs duties and similar charges on international sales of civilian aircraft and parts will be removed. The accord was drafted by the U.S., the EEC, Japan, Sweden and Canada, following a proposal made at the economic summit meeting in Bonn last July of leaders from the major Western powers and Japan.

An important element of the accord is a commitment by Governments not to interfere unduly with the freedom of airlines to buy from a particular supplier on purely technical and commercial considerations.

For those Governments that have already reduced or waived duties on imports of civil aircraft, the reductions so that duties cannot be reintroduced without prior consultation with affected partners.

Provisions of a separate code in the Tokyo round to reduce the use of export and domestic subsidies will also apply to trade in aircraft.

The code on subsidies and countervailing duties is the result of a long tussle between the U.S. and the EEC but also contains special provisions for developing countries.

The U.S. wanted to put limits on hidden export subsidies given by the EEC, particularly on food products under its common agricultural policy, which heavily subsidises certain farmers. The Community, in turn, was keen to obtain relaxation of U.S. countervailing duty laws.

The code, while recognising the right of Governments to use subsidies, says that care should be taken not to harm the trade interests of other countries.

Governments commit themselves not to subsidise export of manufactured products and minerals, and to limit export subsidies on primary goods, such as agricultural, fishery and forest products. It tightens definitions of ways in which export subsidies on primary products can distort world trade, and contains a list of subsidies which should not be granted.

The code also commits signatories not to use domestic production subsidies which might harm other countries and gives examples of such subsidies.

Countervailing duties must be applied, in accordance with GATT's Article 6, which requires prior proof that the subsidised imports in question have, indeed, caused injury to the domestic industry which has lodged the complaint.

It makes a much more precise definition of material injury and of causality than that found in the GATT anti-dumping code, concluded in the Kennedy Round. It sets detailed provisions for investigation procedures, including an obligation to consult with the exporting country before an investigation is opened. It also stipulates that countervailing duties may

Wholly manufactured goods—the key sector for a manufacturing nation such as Britain—accounted for some 66.2 per cent of last year's total British sales in West Germany. They grew by only 12.9 per cent from DM 7,080m to DM 7,980m.

Total exports were up 15.5 per cent from DM 10,450m in 1977 to DM 12,060m. However, excluding crude petroleum, the export expansion rate was only 11.8 per cent, which brought non-oil trade to DM 10,720m.

The slowdown in the growth of British exports has been substantial. In 1977 total shipments to West Germany rose by 22.4 per cent, while non-petroleum sales rose by 14.8 per cent.

Although the 1978 trade performance would perhaps have been more than satisfactory in some markets, West Germany's exports to Britain have been expanding far more slowly than the lion's share of the DM 1,67bn worth of British raw materials exports to West Germany.

Last year the oil shipments grew by 56.3 per cent, and British North Sea crude now accounts for 6.7 per cent of the Federal Republic's total oil imports.

Trade between West Germany and Britain is expanding. The bilateral trade between West Germany and almost every other European Community country. But even so, West Germany, whose exports are almost entirely wholly manufactured goods, appears to be winning the race.

The effect of oil sales on the British trade performance can be judged from the fact that at DM 1,330m, they contributed the lion's share of the DM 1,67bn worth of British raw materials exports to West Germany.

During the first nine months of the year, the official figures show that they rose 17.4 per cent to DM 13,20m. As a result, the already substantial British trade deficit in West Germany's favour has widened further.

This is illustrated by British Department of Trade statistics for 1978, which show West German exports to Britain up 25.1 per cent, and British exports to West Germany up 22.9 per cent, with the result that the deficit in bilateral trade widened from 1978's £1,050m to £1,410m.

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GATT negotiators conclude Tokyo round

BY BRIJ KHANDARIA IN GENEVA

NEGOTIATIONS to conclude the Tokyo Round trade talks are expected to be completed today. The Tokyo Round package, which updates the Kennedy Round tariff negotiations completed in 1967 contains separate accords on: tariff reductions; the removal of non-tariff barriers; improvements to agriculture; trade; changes in the legal framework governing the existing general agreement on Tariffs and Trade (GATT); together with other accords which are described as bilateral or plurilateral agreements because they do not have the backing of all the countries participating in the negotiations.

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Second earth satellite station for Britain

BY JOHN LLOYD

RAPID GROWTH in international telephone calls, which are doubling in number every three to four years, lies behind the opening of a second British earth satellite tracking station at Madley, near Hereford.

The station, which was commissioned officially yesterday by Mr. Peter Benton, managing director of Post Office Telecommunications, will complement one at Goonhilly, Cornwall. It has cost about £10m so far with one aerial operational and is expected to cost some £80m when fully operational with six.

The station has been in service since last November and already handles about 1m telephone calls and 10 Otelevision broadcasts a month. It works to Intelsat 4A, the satellite above the Indian Ocean which is part of an international system. Eight satellites form the Intelsat network linking more than 100 member countries.

Mr. Benton disclosed yesterday that the Post Office has reached the final stages of talks with the U.S. Federal Communications Commission on laying a new transatlantic cable, TAT 7, which should come into commission in 1983 at a cost of £100m.

He said the corporation was also investigating telecommunications projects in the South Atlantic and the Pacific.

The prime contractor at Madley was Marconi Communications, a GEC-Marconi company. The aerial, with its 105 ft diameter dish—the largest in service—was supplied by the Japanese company, Mitsubishi.

Marconi provided the radio and communications equipment while IDC designed and built the station.

The Goonhilly 1 aerial, which previously handled Indian Ocean traffic, now provides extra capacity for the UK-U.S. route, the world's busiest.

Labour peer joins Westward TV board

By Arthur Sandies

LORD HARRIS of Greenwich, former Labour Government Minister responsible for Broadcasting, is to join the board of Westward Television. Lord Harris left the Government three months ago to pursue private business interests.

His appointment comes at a time when, whichever party wins the election, television companies will be preparing cases for continuing their franchises, and perhaps campaigning for larger territories or greater network power.

Mr. Peter Cadbury, executive chairman of Westward Television, said yesterday the



Lord Harris of Greenwich

appointment gave Westward the help of a man who had been involved in all aspects of television. "The experience gained in dealing with industry problems during those years (five years as Minister of State, responsible for Broadcasting) will be of immense value to Westward and, I hope, to TV generally," he said.

According to Mr. Cadbury, Westward has plans for a major extension in the scope and quality of its production. He also hopes to start operating a new generation of Sony outside-broadcasting equipment "in a few months time". New technology is a sensitive issue with television labour at present.

Lord Harris, 49, is currently part-time chairman of the Parole Board. His work in the Home Office included responsibility for police, prisons, probation and after-care as well as broadcasting.

Fears on car plants' future

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

MR. RAY HORROCKS, chairman and managing director of Austin Morris, has given a warning of massive de-industrialisation if the British motor industry is allowed to decline to little more than a highly specialised operation.

Addressing the Westminster branch of the British Institute of Management, he made it clear that the main burden of preserving volume car production in Britain rested on Austin Morris, BL's subsidiary.

He suggested that the new management had made a realistic approach and now had the basis of a viable operation. Some £300m would be provided if the investment could be justified.

Austin Morris sold more than 50,000 more vehicles in 1978 than in the previous year and made a small trading profit, "something unthinkable at the end of 1977".

But the situation was still delicately balanced. "If we are to earn the money to implement pay parity, incentives and differentials, we must maintain the impetus, not allow it to diminish," he said.

"The challenge BL faces is that of a truly domestic industry, one which must be met largely from within."

made about short-term activity because it was only on the basis of immediate retrenchment that long-term future could be contemplated.

"It was therefore essential to tackle overmanning, excessive disputes, poor manufacturing facilities, and lack of incentive in a fundamental way if a way out was to be found."

Mr. Horrocks maintained that the inroads the BL management had made were greater than expected. During 1978 the BL workforce was cut by 15,000. As a result "we have at last been able to tailor our productive workforce to our assessment of our market prospects and at the same time streamline our efficiency."

Important improvements were also made to manufacturing facilities last year, including the £38m investment in the "O" series engine.

"As a result we have the basis of a viable operation," Mr. Horrocks said. "It is no exaggeration to say that in specific terms on level of output and quality are now directly comparable with our European competitors. But these improvements have not been uniform."

"They are enough to show that within our manufacturing resources we can compete, by careful husbandry and the right sort of commitment. We can produce to levels of output which allow our salesmen to adopt a positive attitude in the market, with the confidence of products available in the right numbers at the right quality."

Discussing the talks between BL and Honda, Mr. Horrocks insisted that "any collaboration BL enters into will be totally practical and to the long-term enhancement of its own reputation." He said BL had been looking at areas of collaboration which would not dilute its most important asset—its national identity.

"The benefits of rational collaboration can be enormous," he said. "In the face of the mountainous sums the American industry is investing in research and design every major manufacturer must think in terms of pooled resources. There is absolutely no point in pursuing distinct lines of development and producing an identical end result which may still be two or three years behind."

Secretary of BMA to retire this year

By Maurice Samuelson

THE SECRETARYSHIP of the British Medical Association will become vacant at the end of the year with the retirement of Dr. Elstou Grey-Turner, who has held the post for three and a half years.

Dr. Grey-Turner, 63, is not due to retire for two years, but he will leave early because of health problems and to make way for a younger man.

The post will be advertised at the end of the month and the association is expected to settle the selection procedure on May 30.

Dr. Grey-Turner has spent 32 years with the association and before becoming secretary he was principal deputy secretary for many years.

As a skilled negotiator, one of his major tasks was to give evidence to the Royal Commission on the National Health Service, which is due to report soon.

He was also concerned about the effect of strikes on patients and has been trying to find a way of settling disputes in essential services without endangering the community.

Lights recalled

FIFTY THOUSAND Quickstrip fluorescent light fittings are being recalled by the manufacturer Light Ideas because of a design fault. The 2 foot double tube fitting, model numbers QS2D and QS2DD, were sold after April last year.

House prices rising 'despite loan limits'

BY ANDREW TAYLOR

GOVERNMENT restrictions on mortgage lending by building societies have not stemmed the sharp rise in house prices, according to Mr. Donald Moody, president of the House-Builders Federation.

Mr. Moody said yesterday the restrictions had lengthened mortgage queues and undermined the confidence of house-builders—sustaining the long-term inflationary pressure on house prices.

He said house prices were not determined by mortgage availability but by the level of disposable incomes and the country's economic outlook.

Mr. Moody's views are reflected in recent building society figures which show that house prices continued to rise by between 5 and 5.6 per cent in the first three months of this year. Abbey National said last week that estimates of a 20 per cent rise in house prices in 1979 could not now be considered excessive.

Mr. Moody said there would have to be a marked increase in private-sector building if the strongest-ever demand in the UK for home ownership was to be met.

He said the current level of building activity fell well short of the Government's annual target of between 170,000 and 190,000 homes to be built for owner-occupation by 1981. Estimates indicated that work on only 140,000 units would be started in 1979.

Delays in preparing local authority structure plans and the restrictive nature of some of these plans has led to a shortage of available land for house building.

He said the structure plan for

the South East had proposed that an average of 46,000 new houses would be built annually up to 1991. This compared with the 66,000 new houses built in the region in 1977 and an annual average of 61,000 over the past decade.

He said: "Clearly the structure plan assumptions will create a serious shortfall in new houses in the next decade, unless radically amended." He added that at least 60,000 or more new houses a year would be required in the region.

Mr. Moody also suggested that local authorities should have to pay costs where they had unnecessarily delayed developments.

The next Government, he said, should encourage local authorities to provide an adequate supply of land for house building and also to speed up the process of granting planning permissions.

Mr. Moody said the Federation, a non-political organisation, also supported the repeal of the Community Land Act and a reduction in the level of Development Land Tax.

"It should be our aim, and that of government, to increase the present level of owner-occupation from 55 to 65 per cent in the next five years. The industry is clearly capable of sustaining and increasing its output to meet the strong demand for new housing provided that government now removes the key restraints on supply."

Meanwhile, a survey carried out on behalf of the Alliance Building Society shows the majority of newly married couples face up to a three year wait before they can afford to buy their first home.

Design Council chief attacks 'damaging' price control

BY CHRISTOPHER LORENZ, MANAGEMENT EDITOR

PRICE CONTROL can result only in consumption at the expense of investment, and in inadequate cash flow for the creation of new products, Lord Caldecote, chairman of the Design Council and of Delta Metal, said last night in a lecture at the Royal Society of Arts.

Attacking price control for its "absurdity and damaging effects" — except in the "few cases" where there is no effective competition — Lord Caldecote said industry could not rely on borrowed funds for investment in the vital process of designing and developing new products.

Such investment was riskier than expenditure on plant and new buildings, which had a residual value even if they could not be used for their intended purpose. But the resources invested in an unsuccessful development programme were virtually useless.

"This is why design and development was not suitable for loan funding without serious risk to the financial stability of the company." So shareholders' funds must be the source of such risk investment. This, in turn, implied the necessity to earn high profits on products currently being

made. But the real rates of return on capital employed in British companies had been steadily declining over the past 20 years. In large sections of industry they were now "quite inadequate" to provide a reasonable return to investors and leave enough for adequate reinvestment in design and development.

But the resulting pressures to cut back, or postpone, such expenditure, could rapidly lead to disaster for companies, Lord Caldecote warned. In a competitive market, every product had a limited life cycle, and it was essential to foresee its obsolescence and decreasing sales in time to market a fully competitive replacement.

If a company did not take action in time, Lord Caldecote said, a point of no return could be reached, especially with complex products, beyond which insufficient cash flow was available to produce the necessary investment for the next generation of new or improved products.

Call to raise exports of heating equipment

BY JAMES McDONALD

THE HEATING, ventilating, air conditioning and refrigeration equipment industry, which depends largely on activity in construction, has been advised to look for extra growth to exports and import substitution by the sector's working party. In its industrial strategy progress report for the National Economic Development Council it says:

"There has been an improvement of 12 per cent in direct

exports which, in 1977, accounted for over a quarter of production. In the air-conditioning export market any ground lost by Britain and the U.S. appears to be picked up by Japan and Germany.

Italy is the fastest-growing supplier of non-domestic refrigerated equipment, followed by German and France. Source: National Economic Development Council, Millbank Tower, SW1.

Shelter accuses councils of 'vandalism'

By Maurice Samuelson

LOCAL COUNCILS who demolish — compulsorily — purchased houses years before re-development of an area can begin are guilty of "official vandalism", says Shelter, the national campaign for the homeless.

In a report published today, Shelter says "prior demolition" ignores the objections of local people and pre-empts Government inquiries on whether demolition is permissible. Councils which have carried out "prior demolition" are said to include Portsmouth, Derby, Cambridge, Hull, Salford and the London borough of Southwark.

Mr. Neil McIntosh, Shelter's director, said it was a "travesty" of democracy to ignore Government guidelines which say that local authorities should not abandon or board up properties prematurely.

Shelter wants the next Government to amend the 1957 Housing Act to prevent demolition or gutting of houses until a compulsory purchase order has been confirmed.

Buy Up, Brick Up and Demolish, A Shelter Report on Prior Demolition, Shelter Publications, 157, Waterloo Road, London, SE1; 35p and 15p postage.



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British Rail faces investment strains in 'success year'

BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

SIR PETER PARKER, chairman of British Rail, presenting its 1978 annual report, yesterday, described it as a year of "success and strain" and stressed the need for better productivity and a 30 per cent increase in annual investment in the railways.

The successes were the elimination of the freight deficit, an 8 per cent increase in passenger miles inside two years, and better returns from shipping and property, he said.

The strains were failure to negotiate improved productivity

reduction between 1976 and 1977. "We have identified sizeable opportunities for improvement, but the blunt truth is that we have not been able to negotiate these into reality."

He also lamented lack of progress to concerted action by operators and government over declining railway services in London and the South-East. BR had tried to counter these "depressing trends" with a "commuters charter" outlining goals for the future.

Sir Peter made clear his continuing commitment to reducing losses on minor provincial services, which fell £36m short last year of meeting even their direct costs, without contributing to system overheads. One option was to substitute buses for trains.

He said the customer's expectation of high quality, simulated by the Inter-City 125 services of the High Speed Train, "in many ways outstripped our financial capability to satisfy it."

On fares, Sir Peter said the disarray of incomes policy "cast doubt on our ability to hold the line through 1979." Fares rose 9 per cent in January.

Nevertheless, there was a "new mood of confidence among railwaymen" and a strong case for major investment in more electrification of the rail network and for a Channel tunnel link.

French Railways rail-only proposal for a tunnel, he said, "need not exclude the development of other links." Details of the report are as follows:

FINANCES: Turnover rose from £1.67bn in 1977 to £1.97bn last year, producing an operating surplus of £56.7m, against £62.8m. This was after credit central and local government support for the passenger railway of £436.5m last year and £363.7m in 1977. After interest and other charges, this produced a net surplus of £6.5m, against £29.7m the year before.

On a current cost-accounting basis, following the Hyde guidelines, the surplus becomes a £121m loss.

This meant that British Rail was able to operate comfortably within its passenger railway grant ceiling of £490m.

PASSENGERS: Journeys were up by 3 per cent and revenue was up 18 per cent to £702m. Fares increases for the year averaged 14.5 per cent.

There were successful promotions of reduced-fare tickets for groups such as pensioners and students. More than a third of passenger revenue now comes from reduced-fare and special promotion tickets.

Inter-City services increased passenger volume by 6 per cent to a record level, assisted by the spread of the 125 mph High Speed Train. Efforts were being made to extend the life of outdated stock in the London area, but in the longer term financial restrictions made some real increase in fares likely.

A five-year review had suggested that the Government's grant ceiling could be exceeded by 1981. Action was being taken to reduce that risk.

Passenger contributions to general overheads last year

after covering direct costs were as follows:

● Inter-City, £153m (£127m in 1977).

● London and the South East, £89m (£68m).

● Services in major provincial cities, deficit £12m (-£10m).

● Other provincial services, deficit £36m (-£30m).

TRAVELLERS FARE: the rail catering organisation, lost just over £4m, against £3.4m in 1977, after price reductions as part of the board's marketing strategy. Train catering alone lost £4.87m last year.

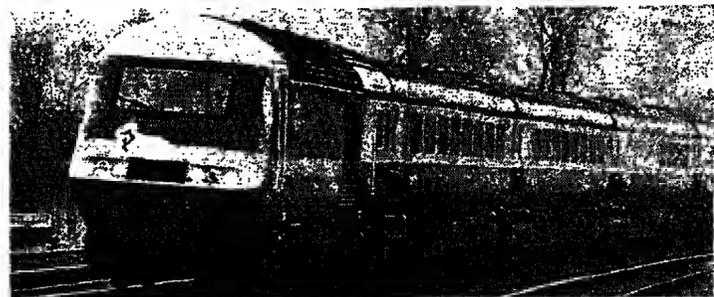
FREIGHT: Volume was static at 170m tonnes, with less carriage of steel, oil and chemical products, offset by a gain in building and construction materials. Revenue increased by £36m to £384m, producing a virtual break-even against a loss the year before of £5.5m.

owned subsidiary of the board in August, showed a £0.9m operating surplus on gross income of £51m. Volume fell slightly to 843,000, 20 ft equivalent units.

OPERATIONS: Total mileage operated rose by 3m miles, but punctuality deteriorated. Last year, 91 per cent of trains arrived within five minutes of schedule, against 93 per cent the year before. Standards were affected by occasional shortages of locomotives, delayed during maintenance by industrial action and extra engineering work associated with faster passenger and heavier freight trains.

A new range of performance indicators included in the report shows an 8 per cent improvement in loaded train miles per crew member between 1974 and 1978 and a steady reduction in the rate of subsidy from 1.72p per passenger mile in 1975 to 1.45p last year (at 1975 prices).

TRANSMARK: the railway consultancy service, increased turnover from £2.9m to £4.5m last year and showed a pre-tax surplus of £0.14m, against £0.09m in 1977. Overseas earnings last year reached £4.5m, but the company has not received progress billings of



British Rail's 125 High Speed Train: A promising performance

£0.5m on a major contract in Iran.

ENGINEERING: BREL increased turnover by 22 per cent to £314m, but full profit and loss accounts are not shown. Export orders worth almost £50m were received.

SHIPS, HARBOURS: The shipping division showed a record operating surplus of £12.2m (£9.1m in 1977) on turnover of £142m. There was further strong growth in Irish traffic (passenger numbers rose by 17 per cent) and steady growth

on Continental services. The board's 11 harbours showed a surplus of £3m on gross income of £17m.

HOVERCRAFT: Again a heavy loss-maker after difficulties with industrial relations and the French-built B500 hovercraft, which caused many passengers to be transferred to conventional ferries. The operating loss for 1978 was £2.23m (£0.6m) on turnover of £5.68m.

HOTELS: The 29 hotels showed a fall in surplus from £1.5m in

1977 to £0.97m last year, on turnover of £33.7m. This was attributed to the exceptional effects of Jubilee year in 1977 and bad weather and fluctuating exchange rates in 1978.

PROPERTY: Gross income rose 15 per cent to £34.2m, producing an operating surplus of £23.2m (£20.8m) and making it much the most profitable of BR's activities.

British Rail annual report and accounts 1978 (222 Marylebone Road, London NW1 6JJ, £1.50).



Sir Peter Parker: Mixed views

and reduced manpower and the frozen level of government support, which was producing "cracks in the quality of service" and would affect British Rail's cash limits.

Investment would have to be raised by 30 per cent a year in the 1980s to replace worn-out assets. Some 98 per cent of BR's diesel units and 66 per cent of its electric units were more than 15 years old.

Sir Peter said the number of railwaymen last year had changed little after a 12,000

CONTRACTS

John Laing lays Welsh gas pipeline

Crossing about six-and-a-half miles open country in North Wales, a high pressure, 450 mm diameter gas pipeline is to be laid by the industrial engineering and construction division of JOHN LAING CONSTRUCTION under a £50,000 contract from Wales Gas. The pipeline, which runs between Llandegla and Ruthin, Clwyd, includes a block valve and two major thrust bored crossings. The work is part of an £8m pipeline scheme for North Wales.

SONY BROADCAST has won a £300,000 contract for the supply of studio and outside broadcast equipment to Westward Television. The equipment includes two videotape recorders, and a two-camera mobile production unit.

M. E. BOILERS, Peterborough, has orders totalling about £15,000 for four steam generators. The main order for two units was placed by Bechtel Great Britain on behalf of Abu Dhabi Gas Industries.

INTERNATIONAL AERADIO, which specialises in aviation communications, has won two contracts to provide air traffic control services, primarily for helicopters, in the North Sea.

The first contract, with Shell UK Exploration and Production, is for the operation of the East Shetland Basin Helicopter Flight Information Service Area (HEISA). The second is with

Chevron Petroleum (UK) for air traffic services in the Ninian Field.

Three contracts, worth a total of £300,000, have been awarded to the Automated Systems Division of YICKERS. The orders are for the supply and installation of Conserva-drive computer storage and retrieval systems—France, West Germany and Manchester.

Swinden Permanent Building Society and the Wessex Building Society have both ordered System Ten computers from INTERNATIONAL COMPUTERS. Total value of the two contracts, including software, is over £100,000.

STRUCTURAL DYNAMICS has been retained by Shell (UK) Exploration and Production to carry out a base line measurement survey on three oil production platforms in the Brent and Cormorant fields. Work includes recording the behaviour of up to 100 pieces of rotating machinery such as gas turbines, generator sets and pumps, and is valued at about £100,000.

POLYBUILD, New Alresford, Hants, is supplying to Jordan £100,000-worth of polythene greenhouses designed for the cultivation of crops in desert conditions, such as tomatoes and cucumbers in the winter months. The units are 9 metres wide by 60 metres long, and the design allows full-length ventilation.

URQUIJO INTERNATIONAL N.V.

Urquijo International N.V. (UINV) which is incorporated in the Netherlands, has taken advantage of the provisions contained under Article 2 of its Articles of Association and has become not only a vehicle for issuing euro-dollar debt but also the international holding company for certain foreign participations of Banco Urquijo, S.A. (BUSA) its parent company. BUSA is the largest industrial bank in Spain and is listed on the Madrid, Barcelona and Bilbao stock exchanges.

During 1978 two foreign participations of BUSA have been transferred to UINV and in order to facilitate these transactions, the authorised capital of UINV was increased on the 3rd March, 1978, from £1,000,000 to £1,300,000,000 by the creation of a further 20,000 shares of par value of £1,000 per share.

On the 21st March, 1978, the first transfer was completed whereby UINV acquired from BUSA its 50% participation in Urquijo Finanz A.G. (UFAG) at book value of 2,018 shares of par value of £1,000 each. UFAG is incorporated in Switzerland and carries on banking opera-

tions from offices in Zurich. Furthermore on the 12th May, 1978, UINV was granted a 4 fr. 4 mm. five year loan by Banco Urquijo Hispano Americano, Limited (BUHAL) in order to maintain its participation at 50% in UFAG. UINV has used the proceeds of the loan to subscribe 4,000 new shares of s. fr. 1,000 each in the latest capital increase of UFAG.

On the 21st November, 1978, UINV acquired from BUSA its 50% interest in BUHAL at book value in exchange for the issue of 7,344 fully paid shares of s. fr. 1,000 each taken at par. BUHAL which is incorporated in England carries on banking operation from offices in London and a Representative Office in Hong Kong. Further transfers are expected to take place during the course of 1979, and will be announced on completion.

The guaranteed floating rate notes due 1981 of UINV are listed on the Stock Exchange in London. Noteholders' continuing security will not be prejudiced as a result of these transactions and the due payment of the principal and interest in respect of the notes, which are guaranteed by BUSA, will remain unaffected.

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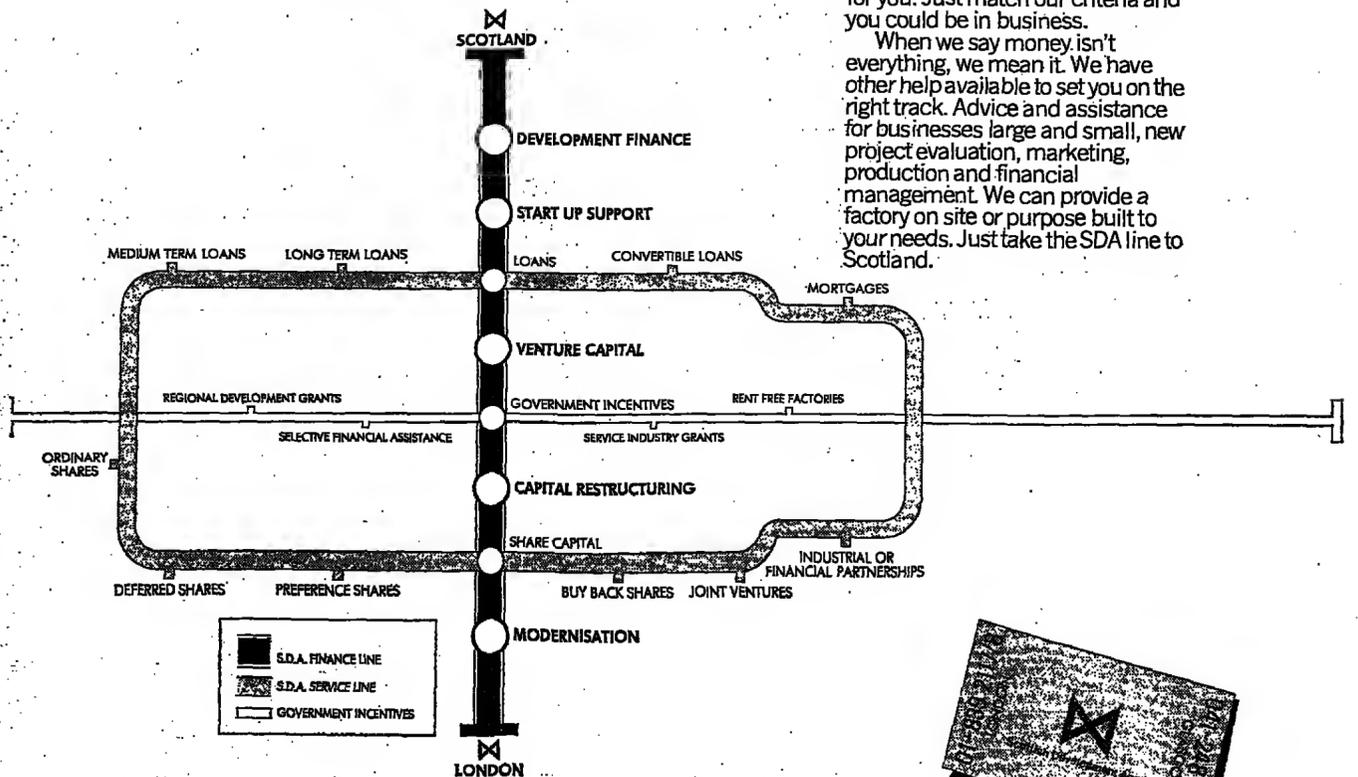
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UK NEWS—ELECTION

Thatcher picks union law as first priority

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

REFORM OF trade union law would be the immediate priority of a Tory government upon taking office, Mrs. Margaret Thatcher, Conservative leader, indicated last night in her first high speech of the campaign.

movement could fulfil its proper role of ensuring a fair return for its members work. There should be an appropriate framework of law within which the unions would be free to do their rightful job "but would not be free to hold the community to ransom."

She had no time for Labour's concordat with the unions and dismissed it as "a piece of paper...no more than a piece of window dressing."

THE CONSERVATIVE Party manifesto was the target for a carefully timed attack by the big guns of the Labour Party yesterday, almost before the ink was dry on its pages.

Yet, he maintained, the Tories had been very cool towards increases in allowances. Sir Geoffrey Howe, shadow Chancellor, had said that he could not accept a commitment to the Rooker-Wise Amendment.

for teachers, £23m; cuts in nursery education, £3m; She said: "This manifesto is full of blathering platitudes. It really is a smokescreen election."



Lesson time: Mrs. Williams shows the cost of Conservative education policies.

Conservatives plan era of economic expansion

BY IVOR OWEN

A CONFIDENT and relaxed Mrs. Margaret Thatcher launched the Conservative manifesto yesterday with a forecast that it will lead to a new era of economic expansion in Britain marked by steady change.

programme of massive public expenditure cuts which must lead to rising unemployment. Questioned about B.L., she stressed: "You cannot suddenly chop off any industrial subsidy."

operated with previous Governments. She asserted that on May 3 a large proportion of Britain's 12m trade unionists would be voting Conservative than ever before.

Whitelaw silent on hanging

MR. WILLIAM WHITELAW, Shadow Home Secretary, will not announce his attitude to demands for restoration of capital punishment until after the general election.

Steel seeks cancellation of nuclear power plants

MR. DAVID STEEL, whose Liberal Party is under some pressure in the south-west from ecology candidates, has emphasised the dangers of nuclear power.

Capital tax reforms promised

By David Freud THE Conservative manifesto promises wholesale reform of capital taxation in the longer term, while in the short-term the Tories say they will deal with the most damaging features of the Capital Transfer and Capital Gains Taxes.

Labour in Scotland rides crest of wave

FINANCIAL TIMES REPORTER

AN ALMOST brash Scottish Council of the Labour Party presented its election manifesto, The Better Way for Scotland, yesterday knowing that although Labour is behind the Conservative in opinion polls in England, in Scotland it is the reverse.

existing ones and creating new ones. "We shall save jobs wherever we can but the Tories are fighting this election on the basis that where jobs are un-economic and profits not being made, the Government should stand back and let workers go to the wall."

Mr. Russell Johnston, leader of the party in Scotland, said Liberals adhered to a federal structure for the UK. Proportional representation would remove fears that a Scottish Parliament would be dominated by factional interests.

STAMINA: Mr. Edward Heath, former Tory leader, was presented with a kilo of stone-ground oatmeal to give him stamina for his campaign, during a visit to Caparville yesterday. The gift was made while he toured the town on foot.

Tories plan strike 'disincentive'

BY CHRISTIAN TYLER, LABOUR EDITOR

"WE SHALL ensure that unions bear their fair share of the cost of supporting those of their members who are on strike."

Known within Tory councils as the "darning proposal," it aims to introduce a financial disincentive for strike action.

Unions would be deemed to be supporting their striking members out of their dispute funds, whether or not they were in fact doing so.

At the moment the Conservatives plan to effect this deduction from state benefits for unofficial as well as official strikes. In theory, therefore, the half dozen unions with mem-

bers involved in the present craftsmen's strike at British Leyland would be deemed to be paying those strikers, however much they opposed the strike in practice.

The Conservatives would also look at the question of tax rebates for strikers, but no clear proposal has yet emerged.

Mr. Prior summarised the Party's objective by saying: "Strikes used to be against employers. Now they are very commonly against the state."

Conservatives have long wanted to remove what they argue is a state subsidy for strike action, but it has not gone unremarked that Sir Keith Joseph, when Minister of Health, opposed the use of any penalty against the families of strikers.

Budget offer for Wales

BY ROBIN REEVES, WELSH CORRESPONDENT

LABOUR will press ahead with administrative devolution in Wales if returned to office, says the party's Welsh manifesto.

through the Welsh Office, instead of the present London negotiations in which Welsh local authorities complain that their needs are swamped by the sculства for other parts of the UK.

On political devolution, the manifesto stresses that the problems the Assembly was designed to deal with still remain. It described as "urgent" the need for democratic control of the National Health Service for democratic control of the single tier of most-purpose local authorities would be preferable to the present wasteful and confusing system.

Other points include setting up a Welsh language commission, increased sheltered accommodation, grants to education authorities to help meet costs of bilingual education, and an expanded role for the Welsh Development Agency.

SNP weakens traditional allegiances

BY RAY PERMAN, SCOTTISH CORRESPONDENT

DRIVING UP to the 500-year-old Pinnac Castle with a Parliamentary candidate for Perth and East Perthshire, one could be forgiven for feeling that here, at least, some things do not change.

The SNP is fighting 42 of the 71 Scottish seats. Their manifesto supports devolution and says that a Scottish Parliament should receive the Scottish share of UK taxation, have the right to raise taxes and receive half of North Sea oil revenue.

One explanation for the switch of life-long Tory voters to the SNP last time was the dissatisfaction of farmers with Conservative agriculture policies.

Mr. Ian Smith, who sold his photographic business two years ago to devote himself full time to the nationalist challenge in Kinross and West Perth, believes that his party's land policy, with its emphasis on the family farm, is a trump card.

The Conservatives know that to secure these two seats they must win back their own voters from the SNP. Labour and Liberal support is too low to expect a revival in the fortunes of those parties to do the job for them as it might do in some other constituencies won by the SNP in 1974.

In fact, the low Labour vote last time could encourage tactical voting among Labour supporters, who want to keep Mrs. Thatcher out of power.

Tory organisation is revived, although posters in the Crief party offices still tell "the bitter truth" that the party is hard up.

The threshold after which the tax became payable was raised by Labour from £15,000 to £25,000, but the higher rates were raised only by the corresponding £10,000 and not proportionately.



Nicholas Fairbairn (left) and Douglas Crawford.

Mr. Fairbairn's eccentric style, his flamboyant clothes, designed by himself, and his involvement with very un-Conservative causes made a sharp contrast with Sir Alec.

Mr. Fairbairn (C) 11,034 (41.7 per cent); Mrs. Jenny Chapman (Lib) Donald MacLeod (Lab) OCTOBER 1974 RESULTS Perth and East Perthshire: D. Crawford (SNP) 17,337 (40.7 per cent); J. White (Lab) 5,805 (13.6 per cent); R. Duncan (Lib) 2,851 (6.7 per cent); Scottish Nationalist majority 793 (1.9 per cent); Kinross and West Perthshire: N. Fairbairn (C) 11,034 (41.7 per cent); D. Cameron (SNP) 10,981 (41.5 per cent); D. Burra (Lib) 2,427 (6.2 per cent); D. Skene (Lab) 2,028 (7.7 per cent); C majority 53 (0.2 per cent).

UK NEWS — LABOUR

BL 'piecemeal parity' condemned by Fraser

BY ALAN PIKE, LABOUR CORRESPONDENT

PROPOSALS by BL management to introduce pay parity on a plant by plant basis in spite of opposition from unions were condemned yesterday by leaders of the company's striking skilled workers.

Leaders of the unofficial BL United Craft Organisation met to review progress in the strike by between 3,000 and 4,000 craftsmen which began on Monday. They passed a resolution saying the piecemeal introduction of parity was "not acceptable".

Delegates representing the strikers agreed to continue the stoppage "until there is a positive commitment by the company and union executives to sole negotiating rights".

BL's decision to make parity payments to plants which qualify on productivity grounds — only five are in this position immediately — has infuriated

both the unofficial strikers and their official union leaders. The latter will consider the position at an executive meeting of the Confederation of Shipbuilding and Engineering Unions today.

Mr. Roy Fraser, leader of the United Craft Organisation, said that the plan would make the present position worse by increasing the disparity in rates between plants. The strikers are demanding parity for skilled workers on a 590-a-week basic rate and separate negotiations.

Although the strike has not yet hit BL's car production, the strikers say that it will do so "soon". Mr. Fraser claimed that production was "gradually grinding down" and said there was a "strong possibility" that some plants would close after the Easter holiday.

He also claimed that skilled men at some plants who did not

join this week's action — including BL's biggest car works at Longbridge, Birmingham — were now reconsidering their position.

Mr. Fraser said that by refusing to talk to the strikers Mr. Michael Edwardes, chairman of BL, had created a situation in which the company would suffer considerable damage.

However, neither the company nor the strikers' unions recognise the unofficial organisation or believe that separate negotiations for craftsmen constitute the right approach.

Mr. Fraser, a shop steward at BL's Cowley body plant — one of the five factories which qualifies for immediate parity payments — is the subject of a disciplinary investigation by the Amalgamated Union of Engineering Workers.

Chrysler seeks aid to save jobs

By Arthur Smith, Midlands Correspondent

CHRYSLER UK is seeking State aid to avoid redundancies among nearly 1,500 Midlands workers, who have been laid off for nine weeks.

The company agreed with shop stewards yesterday to make a joint application to the Department of Employment under the Government's temporary short time working scheme. The scheme provides for companies who give employees 75 per cent of their normal pay for days not worked, to be reimbursed in full by the State. The Department has to be satisfied workers would otherwise be made redundant.

The workers were made idle because of production difficulties at the Irish National Car Company which imports components from Chrysler. Output, which has been at a standstill for much of this year has now been restored to around 75 per cent of normal levels.

Chrysler hopes that if the improvement is maintained work will resume on the Iran contract in July. The Stoke engine factory at Coventry supplies components worth more than £100m, a year to Iran.

Hopes fade as Times negotiations continue

BY ALAN PIKE, LABOUR CORRESPONDENT

NEGOTIATIONS on the Times newspaper dispute continue today in an atmosphere of fading optimism and against a short deadline if publication is to be resumed next week.

Mr. Dugal Nisbet-Smith, the company's general manager, said that there would have to be a "very dramatic change in attitude" by some chapel (office union section) leaders if the relaunch of the company's publications, due to take place on Tuesday, was to go ahead.

Talks will continue today between management and representatives of the National Society of Operative Printers, Graphical and Media Personnel. Some of the most serious outstanding problems concern NATSOPA members, in particular the Sunday Times machine chapel. There are also continuing difficulties in concluding new agreements with the union's Sunday Times clerical chapel.

Officials of the Advisory Conciliation and Arbitration Service will today meet management and representatives of the National Graphical Association to discuss remaining difficulties on one of the most fundamental issues in dispute — the operation of a proposed new computer-based composing system.

Although Times Newspapers wants journalists and advertising staff eventually to share access to the system — keystroke — with NGA members, next week's resumption, if it goes ahead, will be on the immediate basis of the NGA continuing to do all composing work.

The union has agreed to review the position in a few years' time but Times Newspapers is holding out for a commitment that such a review will be more than a formality and will lead to journalists and tele-ad staff being able to use the system.

If negotiators feel that there is still progress to be made they are prepared to continue negotiations throughout the Easter weekend.

Unions clash on teachers' pay claim

By Michael Dixon, Education Correspondent

LEADERS of the biggest teachers' union clashed yesterday with another 3.5 per cent claim for school staff in Wales should be sent to the Comparability Commission or to arbitration.

As pay negotiations continued in the Burnham Committee in London, Mr. Terry Casey, general secretary of 112,000-member National Association of Schoolmasters and Union of Women Teachers, publicly accused Mr. Fred Jarvis, his counterpart in the 258,000-strong National Union of Teachers, of "a betrayal of the teaching profession".

The dispute with an absolute union majority on Burnham, favouring reference to the Comparability Commission. The NAS wants the case to go to arbitration.

A commission-reference with a 50/50 staging of any award in 1980 and 1981 has been ordered by the education authority employers, in addition to a 9 per cent increase backdated to April 1.

The point of dispute between the employers and the unions' panels is apparently whether the commission should be allowed to review teachers' working conditions, or whether it should be restricted to accepting that the working conditions remain as they were when investigated by the Houghton Committee in 1974.

The unions' panel maintains that the 36.5 per cent claim represents the amount needed to restore school staff to the relative pay levels recommended by Houghton.

Mr. Casey believes a reference to the commission would inevitably "sell out" the position on working conditions established by the 1974 committee.

Offer may lift threat to TV

BY PAULINE CLARK, LABOUR STAFF

THE THREAT of disruption to the BBC's Easter week-end television programmes may be lifted today when union leaders consider a new offer to engineering workers involved in a regarding dispute.

The BBC's biggest union, the Association of Broadcasting Staff, will discuss a revised backdating formula for between 2,000 and 3,000 engineering workers who decided at their

union's annual meeting earlier this week to take action over a pay claim.

The engineers, who are based at Acton, west London, have complained about delays in implementing payments to cover regarding and work with new technology.

Mr. Tony Hearn, general secretary of the ABS, said yesterday that a final decision on industrial action would not

be taken until today's executive meeting. Talks with management at the BBC had produced a revision of the original date for backdated payments from May 1, 1977, to November 1, 1978.

The BBC said the revised offer also took into account the demand for more money for operating new technology and it hoped that certain equipment now lying idle would be "unblocked".

Theatre ballot verdict today

BY PAULINE CLARK, LABOUR STAFF

A MASS meeting of up to 400 theatrical workers at London's National Theatre will decide today whether to have a ballot on strike action in support of 27 sacked colleagues.

This follows the failure of renewed efforts by management to find a formula to end the dispute with members of the National Association of Theatrical, Television and Kinematograph Employees which has disrupted performances for nearly a month.

Management is seeking a firm agreement that unofficial industrial action by members of NATTKK will not happen again

in the future. The union has demanded first, however, the reinstatement without conditions of the stage hands dismissed for taking action over a pay claim.

After meeting management under the umbrella of the

Advisory Conciliation and Arbitration Service yesterday, Mr. John Wilson, general secretary of NATTKK, said: "The members inside must now make up their minds whether they want to be in or out."

Steel dispute worsens

STEELWORKS craftsmen representing 41,000 men throughout the industry yesterday voted for industrial action which could bring some plants to a standstill.

Members of the National Craftsmen's co-ordinating committee, meeting in Sheffield, decided to step up industrial action in support of a pay claim. From May 6, overtime will be banned, they will refuse to answer emergency call-outs, and one-day strikes will be called on a weekly basis at selected plants.

Tories to probe SLADE

A FIRM pledge that a Conservative Government would conduct an inquiry into the activities of SLADE, the print process workers union, was given in the Party's election manifesto.

blacklog and bullying tactics in its efforts to recruit in advertising agencies. Yesterday the Moderate Action Group in the Slade Art Union — a section set up to cover the art field — said it would be asking all Parliamentary candidates to do their utmost to secure an inquiry.

Tory manifesto, Page 11

Perkins men to go back

SEVEN THOUSAND strikers, who have closed an Alfa Romeo diesel engine plant in Peterborough for five days, voted by a two-thirds majority at a mass meeting yesterday to resume normal working.

The return to work, urged by the AUEW national executive, will allow time for more talks on a parity claim.

UNION EXECUTIVE GETS EXTRA POWERS AGAINST ITS WILL

Striking made easier for bank workers

BY NICK GARNETT, LABOUR STAFF

THE Banking, Insurance and Finance Union (formerly National Union of Bank Employees) decided yesterday to make it technically easier for its national executive committee to call strikes and other industrial action in banking and finance houses.

In spite of opposition from the executive itself, the annual conference of BIFU voted narrowly to abolish the

rule that a voting majority of all staff entitled to vote on a particular issue must be secured before industrial action is taken.

The conference decided by 58,000 to 53,000 in a block vote that only a simple majority of those actually voting is needed.

This move followed an earlier conference decision to set up a national strike fund for the first time, again

against the advice of the executive.

The rule that the executive committee can call industrial action only after a secret ballot of members involved remains.

The executive said that voting by simple majority would do nothing for the unions and drive away moderate people in the clearing banks' staff associations who might be sympathetic to

joining the BIFU or to a merger between it and their association.

It was wrong, it said, to change rules simply because a ballot had not gone the way the union wished. This was a reference to a ballot late last year on the possibility of a strike over the Christmas holiday in which the strike called did not receive support.

Some members also said

that it would lead to members leaving the union.

A majority of delegates supported the view that the rules hindered calling of industrial action. Such action, they said, was necessary when there was an "irretrievable breakdown" in negotiations with management.

The conference decided to seek a three-month sabbatical holiday at the end of each ten years of service.

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maturity up to 5 years				
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8 1/2% Österreich 1975/S/83	103,50	7,24	8,21	5. 3.76-83 at 100,0 to 101,0
8 1/2% Innsbruck 1974/B/82	102,50	7,36	8,29	19.11.75-82 at 100,5
8 1/2% Steyr-Daimler-Puch 1974/B/81	102,—	7,35	8,33	29.10.75-81 at 100,5

maturity over 5 years				
8 1/2% Österreich 1975/S/11/85	105,50	7,52	8,06	27.11.79-85 at 103,0 to 103,5
8 1/2% Österreich 1976/S/86	105,50	7,52	8,06	20. 2.81-86 at 101,5 to 104,0
8 % Österreich 1976/S/11/1/B/86	102,75	7,41	7,79	22.11.83-86 at 100,0
8 % Österreich 1977/11/1/B/86	102,50	7,40	7,80	15. 9.82-86 at 100,0
7 3/4% Österreich 1978/V1/C/86	101,75	7,43	7,62	7.11.86 at 100,0
8 % Ailberg Straßentunnel 1977/B/85	102,—	7,35	7,84	29. 7.80-85 at 100,0
8 1/2% Wien 1974/B/84	102,50	7,40	8,29	2. 7.75-84 at 100,0
8 1/2% Energie 1975/11/B+5/85	105,50	7,53	8,06	29.10.79-85 at 103,5
8 % Energie 1977/S/11/B/86	102,50	7,41	7,80	4.10.82-86 at 100,0
8 % CA-BV 1976/11/A/81	102,50	7,45	7,80	7.10.77-91 at 100,0
7 3/4% Export 1978/11/C/86	102,—	7,38	7,60	17. 8.86 at 100,0

Selected US-\$ Bonds of Austrian issuers	Yield	Current Yield	Redemption
6 % Rep. of Austria 64/84	7,38	7,60	17. 8.86 at 100,0
6 3/4% Rep. of Austria 67/82	7,38	7,60	17. 8.86 at 100,0
8 3/4% Rep. of Austria 76/90	7,38	7,60	17. 8.86 at 100,0
8 1/4% Tauernautobahn 77/87	7,38	7,60	17. 8.86 at 100,0
9 1/2% Österreichische Kontrollbank 74/79 in Austrian Schilling (traded in US-\$ only)	7,38	7,60	17. 8.86 at 100,0

Interest is payable without deduction for or on account of Austrian taxes.

For current prices and further information please contact:
For Austrian Schilling Bonds: Robert Jekl, Robert Wasinger
(Telephone: 6622/1701 or 1707, Telex: 74261-63)

For International Bonds: Walter Vogl (Telephone: 6622/2222, Telex: 76948)

Code for Reuters Monitor Securities Program: CA DA, CA DB



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Creditanstalt-Bankverein, Schottengasse 6, A-1010 Vienna.

Euro-Japanese Symposium

TRADE, FINANCE AND POLITICS IN THE 1980's
Brussels — 3 & 4 May, 1979

Mr. Roy Jenkins, President of the E.E.C., and Mr. Toshio Kohmoto, Chairman of the Policy Affairs Research Council of the Liberal Democratic Party and lately Minister of M.I.T.I., will be speaking at this major Euro-Japanese Symposium sponsored by the Financial Times and Nihon Keizai Shimbun.

Relations between Japan and the countries of the E.E.C. are of immense importance. This symposium will analyse the current situation including some of the present difficulties and assess the opportunities for financial and industrial co-operation.

Other distinguished speakers will include:—

- M. Henri Simonet, Minister of Foreign Affairs, Belgium
- Dr. Saburo Okita, Japanese Economic Research Centre
- Mr. Louis de Guiringaud, Former Minister of Foreign Affairs, France
- Mr. James Wiesler, Bank of America, Asia Division
- Mr. Kohji Kobayashi, Nippon Electric Company

For full details of the agenda, please complete and return the coupon below.

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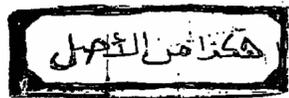
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Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

SAFETY AND SECURITY

Sealing conduits against fire

SPREAD of fire, smoke or water through apertures carrying electrical cables, conduits or plumbing through walls, floors and ceilings can be prevented by a transit and sealing system supplied by AB Lyckeaborgs Bruk of Karlskrona, Sweden.

Each cable is carried in a separate resilient block made of Tecron, a compound that expands greatly when heated—sufficiently to seal the aperture fully should a cable burn off on one side. The blocks are arranged in layers separated by retaining plates and compressed within an iron, aluminium or steel frame set into the wall or floor. In tests, the assembly has withstood 1100° C for up to six hours.

Installation of the system, known as Multi-Cable Transit (MCT), is estimated to cost 50 per cent less than conduits free-proved by conventional techniques, and 60 per cent less than fireproofed cable trays. It helps contain fires in all buildings, including telephone exchanges with their complex networks of cables. Computer rooms too can be protected against the ingress of chlorine and hydrochloric acid, produced by PVC-sheathed cable, burning in adjoining rooms.

Originally developed to seal apertures in marine decks and bulkheads, MCT units will withstand a blast pressure of 16 bar to provide good protection against high-pressure hoses used

in fighting fires.

Virtually any combination of cable sizes can be accommodated within each frame.

Blocks, made in two halves, are supplied in standard sizes with hole diameters from 4 mm to 200 mm. Unused spaces in the frame are filled with solid blocks, which may be removed later to add more cables.

When the frame is full, the rows of blocks are held firmly in position by a presswedge. Tightening the two bolts on the presswedge causes it to expand and seal the frame completely, thereby securing the assembly against shocks or vibration.

MCT frames occupy 60 per cent less space than conduit assemblies, and as vertical cable runs eliminate the need for supports. They are made in single and multiple form in three different heights, and may be welded to metal walls or floors, or cemented or bricked into masonry or sandwich walls—at an angle if required.

Sealing circular openings drilled in concrete walls is simplified by a further development, the RGP plug-in unit. Made completely of Tecron, and utilising similar insert blocks, the plug is simply pressed into the hole. Cables are secured in the normal way and the completed assembly is pushed fully home so that its flange locates against the wall.

Lyckeaborgs Bruk, S-371 00 Karlskrona, Sweden.

Code lock is pick-proof

PATENTED cylinder locks operated by punched plastic cards provide high protection in hotels and aboard ship against loss, theft and duplication of keys. The VingCard system introduced by Trio-Ving, of Moss, Norway (a division of Elkem Spigerverket A/S) is simple and the inexpensive plastic cards make it practical to give every guest a new combination.

There are 4bn possible combinations of holes to operate the 32 steel balls which free the lock cylinder.

The locks have a deadlocking spring latch which is released by inserting the appropriate VingCard and turning the handle. The lock combination is pre-set by a code section

separated from the key card and placed inside the lock by opening a cover on the inside escutcheon. Beneath the handle is a separate cylinder lock with a 20-mm dead bolt. From within the room, a knob operates the bolt. A signal outside then shows that the room is engaged. Staff may operate this lock and the card-operated latch from outside by means of a conventional master key.

A computer-controlled VingCard system enables guests' cards to be used to open gates, garage doors, etc., and to pay for goods and services. Charges are registered automatically, via card readers, in a computer and included on guests' bills.

Elkem-Spigerverket A/S, Trio-Ving, 1510 Hayden, Moss, Norway.

COMPUTING

Burroughs doubles the power

RELEASED IN THE UK by Burroughs are the first systems in the company's new "900" Series. The two announced are the B 2930 and B 3950, for a broad cross-section of the computer market starting with first-time computer users upward to large, experienced companies.

These new systems provide up to five times the throughput performance of the entry-level B 2900 system in the "800" Series, occupy half as much space, and use 50 per cent less power. Main memory can be expanded to five times the maximum capacity available with current medium-scale systems. Prices start at £103,600, well below traditional mid-range levels. Software, including the Master Control Program, is priced separately.

Burroughs users can move to the new models, or operate them in conjunction with currently installed systems, without rewriting or even reprogramming the programs they now use.

Purchase prices for the new entry-level B 2930 start at £103,600. The system's throughput performance is over two times that of the preceding entry-level B 2900. It has the new and faster, asynchronously operating, modular processor. Its 524,000-byte memory is expandable to 1m bytes, and very dense memory chips. The system includes a separate data communications processor, and a microprocessor-based, integrated disc controller.

Flow of data to and from peripheral units is controlled by newly designed data-link processors. These are independent microprocessors, each of which is programmed to service a particular category of peripheral devices. Because these assume the overhead associated with input/output functions, central processors can operate more efficiently.

The more powerful B 3950, whose purchase price starts at £188,000, can be equipped with 2m to 5m bytes of main memory, and up to 32 of the new data-link processors. Throughput performance of the B 3950 is up to five times that of the B 2900, depending on application, memory size, and number of data-link processors.

Memory in both systems is made up of high-speed (16K) memory chips. Logic circuits use advanced, very dense TIL (transistor-transistor logic) bipolar microcircuit technology. Some circuit chips contain as many as 800 gates (electronic logic functions).

The systems are easily expandable. As many as three additional central processors can be attached to a B 2930 or B 3950 to form a multi-processor system in which the processors share disc file storage, peripherals, and communications subsystems. Such multiple processor systems can prove economical for users with a multiplicity of processing tasks and high volume workloads. The ability to share data between systems assists in providing full-time backup for operations that must continue around-the-clock.

Additional reliability is provided by new on-line diagnostic routines which allow field engineers to test system operation while the computer is doing its regular work, and by a new internal environmental monitoring feature which warns against excessive fluctuations in heat or power.

Both can function in a systems network based on Burroughs Network Architecture (BNA), and can also interface with competitive networks.

Burroughs has introduced a new software licensing plan. Software products which are required for system operation will now be packaged together and made available for a license fee. Users may also select from a library of additional system software products.

Two new software products are a workflow management system and a data management inquiry system.

Workflow management provides control capabilities which allow the user—exceptionally—to override the master control program's automatic work schedule, and to gain increased throughput by tailoring the machine's operation to fit a specific mix of jobs.

The data management inquiry makes it easier for authorised people to access information stored in the computer's data base. Further information from 01-759-5522.

IN THE OFFICE

3M's three copiers

OVER A dozen new copiers will be launched in the UK this year, among them a 3M UK machine intended to make its mark in the 5,000-40,000 copies a month middle-volume area.

Secretary III plain paper copier produces its first copy in just over four seconds and subsequent copies at 25 a minute.

Available on rental or by purchase, the copier has a list price of £6,290 which includes an automatic ten-bin sorter and a stand. According to 3M tests, five sets of six originals can be made in less than a minute and a half.

Secretary III is based on the indirect electrostatic process and uses a one-part dry toner to ensure constant copy quality. Modular design makes access easy for regular maintenance. A short 19 in. straight paper path through the machine minimises the chances of jams.

Improved versatility is claimed for two new versions of the Secretary II plain paper copier compared with the

first machine introduced some two years ago.

The Alpha version incorporates new technology in the form of a microprocessor for monitoring and controlling the copier's internal operations. It improves and stabilises the flow of paper through the machine, and adds to overall reliability because there are fewer moving parts.

Alpha produces 8 copies a minute and is fed by a single paper cassette. Like the original Secretary II it accepts a wide range of originals for copying.

The Beta copier working at 12 copies a minute, can be fed from either of its dual cassettes. This allows the operator to specify different sizes or colours as required.

In addition, the Beta copier has a versatility by-pass. This allows for manual feeding of transparencies for overhead projector use, for labels and larger-sized paper. The by-pass

major manufacturers for the mining industry world-wide - just one of NEI's activities.

Northern Engineering Industries Ltd

NEI

A member of Clarke Chapman and Reynolds Parsons

also permits copying on both sides of the paper.

Alpha and Beta desk-top copiers have a recommended 1,000-7,000 copies a month volume capacity and a list price of £2,199 and £2,849 respectively.

The company predicts further gains in plain paper machines from £2 per cent of the UK market (£187m) in 1978 to 84 per cent this year (£220m). At the same time, it expects coated paper equipment to drop its market share to 18 per cent from 18, though in volume terms it will advance to £35m from £33m last year.

3M UK, 380 Harrow Road, London W9 2HU. 01-595 5044.

Tough RCA chip gets Tektronix support

RCA's 1802 8-bit microprocessor is to be supported by the Tektronix microprocessor development lab. Because of its CMOS characteristics, the 1802 is widely used in severe environments and/or portable applications.

It will operate over a wide voltage range plus 4V to plus 12V. Fully static it will retain information in the absence of a clock signal, and has high noise immunity and wide temperature tolerance over the full military range of minus 55 degrees C to plus 125 degrees C.

The 1802 is available from RCA Solid State, the designer. Second sources include Hughes and Solid State Scientific.

The Tektronix 802A development laboratory is a stand-alone system for the complete development and testing of both hardware and software in microprocessor based systems.

The 8001 provides hardware/software integration for software developed on the user's host computer.

Key option for both the 8001 and 8002A is the real-time prototype analyser, which provides

the designer with a real-time trace of the user's program including up to eight external hardware locations in the prototype circuit.

Support is currently available for Intel 8080A and 8085A, Motorola 6800, Texas Instruments TMS 990, Zilog Z80 microprocessors and Mostek 3870/3872 microcomputers. Tektronix is developing equipment to support additional microprocessors and microcomputers.

Tektronix UK, Beaverton House, PO Box 68, Harpenden, Herts. Harpenden SG14L.

Clear data on chart

IN SWEEP of the onward march of electronics, Planomatic of Elstree Aerodrome, Barnet, Herts WD6 3AA (01-287 4074) identifies the need for a multi-aspect wall chart signalling element that can be easily changed and clearly seen.

Accordingly the company has just designed a small plastic cell of overall size 17 x 12 x 15mm with a window in one face of the cube and housing a cylinder which when rotated offers six different faces.

Each face carries a coloured symbol so that, by simply "clicking" the cylinder round with a ball point pen or pencil, symbols that would otherwise have to be physically substituted can be brought instantly into view.

The system has already been operational with an Oxford based hiring company, and should prove useful to organisations with a seat/accumulation/vehicle or similar booking routine, and in commerce and industry in general.

OFFSHORE

Probe used in training

DIVING schools in Britain have started using the Seaprobe SP200 underwater ultrasonic thickness gauge to teach measurement techniques to divers.

Thickness gauging is an essential feature of underwater inspection of metallic structures such as oil rigs and platforms, jetties, lock gates and ships' hulls. It is used to identify weakening of structures caused by corrosion and erosion in the hostile underwater environment.

The first production instrument was purchased by the Falmouth company, Prodiver. It is used on the company's underwater non-destructive testing courses which are designed to teach divers a complete range of underwater inspection procedures for monitoring the effects of general corrosion and erosion. It is also used for demonstrating a method for testing the soundness of the air gap between two plates which are joined by an all-round weld, as used for Monel cladding on offshore structures.

Seaprobe is also being used by Plymouth Ocean Projects at the Fort Bovisand Underwater Centre for both teaching and contract inspection. Again, the instrument has been selected because it is a new concept in underwater inspection techniques and is simple to operate. It is used during the company's various underwater NDT courses to train divers with varying degrees of inspection experience. Contract inspection includes monitoring the thickness of ships' hulls during certification for a new owner and the ability to do this under water avoids the need for a dry berth.

Baugh and Weedon, Widemarsh Street, Hereford. 0432 67671.

INSTRUMENTS

Magnetic probe unit

NON-DESTRUCTIVE examination tool, the DA-200 contour probe, has been added to the range of equipment offered by Scanray (International Testing) of Bletchley, Milton Keynes. The probe is a rugged, portable, self-contained electronic instrument which creates powerful magnetic fields in magnetisable materials and uses the established principles of magnetic particle inspection to locate all surface, and most sub-surface, defects.

Combining selective ac and dc pulse functions into a single reliable instrument, it will quickly locate all surface cracks in ferrous materials that can be brought between the pole pieces. The solid state dc pulse system has infinitely variable level control which provides exact magnetic field strength.

required for applications ranging from small screw threads to heavy castings. The ac mode produces a strong ac field which can be used for certain types of inspection and for demagnetising work after inspection. The selective high energy ac or pulsed dc fields provide fast positive indications, eliminating the usual high amperage arc burning of work surfaces.

The new probe, manufactured by Parker Research, will conform mechanically to practically any surface configuration and the electronic circuitry permits the selection of ac or dc fields which are infinitely variable from zero to maximum intensity.

Scanray, Banton Road, Water Eaton Industrial Estate, Bletchley. 0908 70771.

Miniature panel printer

HOUSED IN a half-DIN case measuring only 49 by 96 by 150 mm, the 230 print mechanism from Settek Instruments, High Street, Stanstead Abbots, Herts SG12 8AB (0920 871094) employs a static thermal print head on a ceramic substrate and can print up to nine columns on conventional 35 mm thermal paper.

Format is normally arranged as six digits including signs and symbols, a space and two columns of alphanumeric with most of the special symbols used in the scientific and engineering industries.

Input can be 8 by 4 bit parallel data, four bit data and four bit address, four bit data

and eight line address of RS232C asynchronous.

The printer brings hard copy output within the reach of micro portable instrumentation and operates at two lines per second. It can be powered from low voltage dc or from the mains.

Easy to use database

QUESTOR IS a second generation database management system which has been designed for the industrial and business user and requires no technical knowledge of computing.

People can develop the storage and recovery arrangements they require directly,

rather than having to go through technical intermediaries.

It was designed and developed by Comshare and has been extensively tested and is used on Comshare's time sharing service, which allows direct access via on-line remote terminals and deferred batch processing. It accepts data typed directly on a terminal or, in the case of large amounts of data, punched cards or magnetic tape.

Integral validation facilities go hand in hand with rules for checking which may be entered as part of the Questor database system. These rules are automatically applied to any additions or modifications to the database. The user is prompted when invalid data is entered and can enter the correct value there and then.

This plus the more extensive security features available within the Comshare time-sharing service, maintains the integrity of the database.

Output can be in the form of reports or lists which can be structured as required.

Comshare, 32-34 Great Peter Street, London SW1 2DB. 01-222 5665.

QUALITY CONTROL

Source of particle testers

GERMAN COMPANY Tiede GmbH, a leading manufacturer of magnetic particle inspection equipment in continental Europe, is to be represented in the U.K. by Wells-Krautkramer, Blackhorse Road, Letchworth, Herts. (04626 2644).

The UK companies believes that this will give it near-total coverage in the non-destructive testing equipment field.

Magnetic particle testing is particularly applicable to detection of surface and immediately sub-surface cracks and flaws in components, particularly in irregularly-shaped objects such as motor car crankshafts and connecting rods. Tiede's commitment to this branch of NDT over many years has given it the ability to deal with almost any application from the simplest hand-held operation to automatic installations.

A FINANCIAL TIMES SURVEY

INTERNATIONAL PROPERTY

WEDNESDAY MAY 30th 1979

The Financial Times proposes to publish a survey on International Property on Wednesday May 30th 1979. The main headings of the provisional editorial synopsis are set out below.

INTRODUCTION Property investment away from home markets remains an activity tempered with a good degree of caution. Has the flow abroad of UK investment funds increased?

Too much money is apparently still chasing too few institutional-quality property investments. Have fund managers shown themselves any more prepared to accept "secondary quality" propositions? How much recent development has been in response to institutional buying pressure rather than projected demand from tenants? The bright spots on the international property map.

THE MARKETS

The remainder of the survey will carry reviews of the property market in the following places:

EUROPE: THE NETHERLANDS • BELGIUM • FRANCE
WEST GERMANY • ITALY • IRELAND • SCANDINAVIA
EASTERN EUROPE • SPAIN
NORTH AMERICA: UNITED STATES • CANADA
SOUTH AMERICA: BRAZIL • AFRICA: REPUBLIC OF SOUTH AFRICA • NIGERIA
AUSTRALIA
FAR EAST: HONG KONG • SINGAPORE • JAPAN
THE MIDDLE EAST: UNITED ARAB EMIRATES • EGYPT

For further details on editorial content and advertising please contact: **CHR Cantler**, Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY. Tel: 01-248 8000 Ext. 234

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GREATER SHOP FLOOR EFFICIENCY

A Lucas Logic control system links any number of machines or processes to a central mini-computer or microprocessor via a series of compact monitoring units, thus giving management access to new standards of production and process control.

The basic system is remarkably flexible and can be designed to match any section of your existing plant. As part of a large engineering group, Lucas Logic is conversant with many areas of industry, including plastics moulding, heat treatment, conveyors and electroplating. Profit from this wealth of experience. Find out more about Lucas Logic process-tailored control systems by ringing Alan O'Leary, Commercial Manager, right now. It's the logical start to higher productivity.

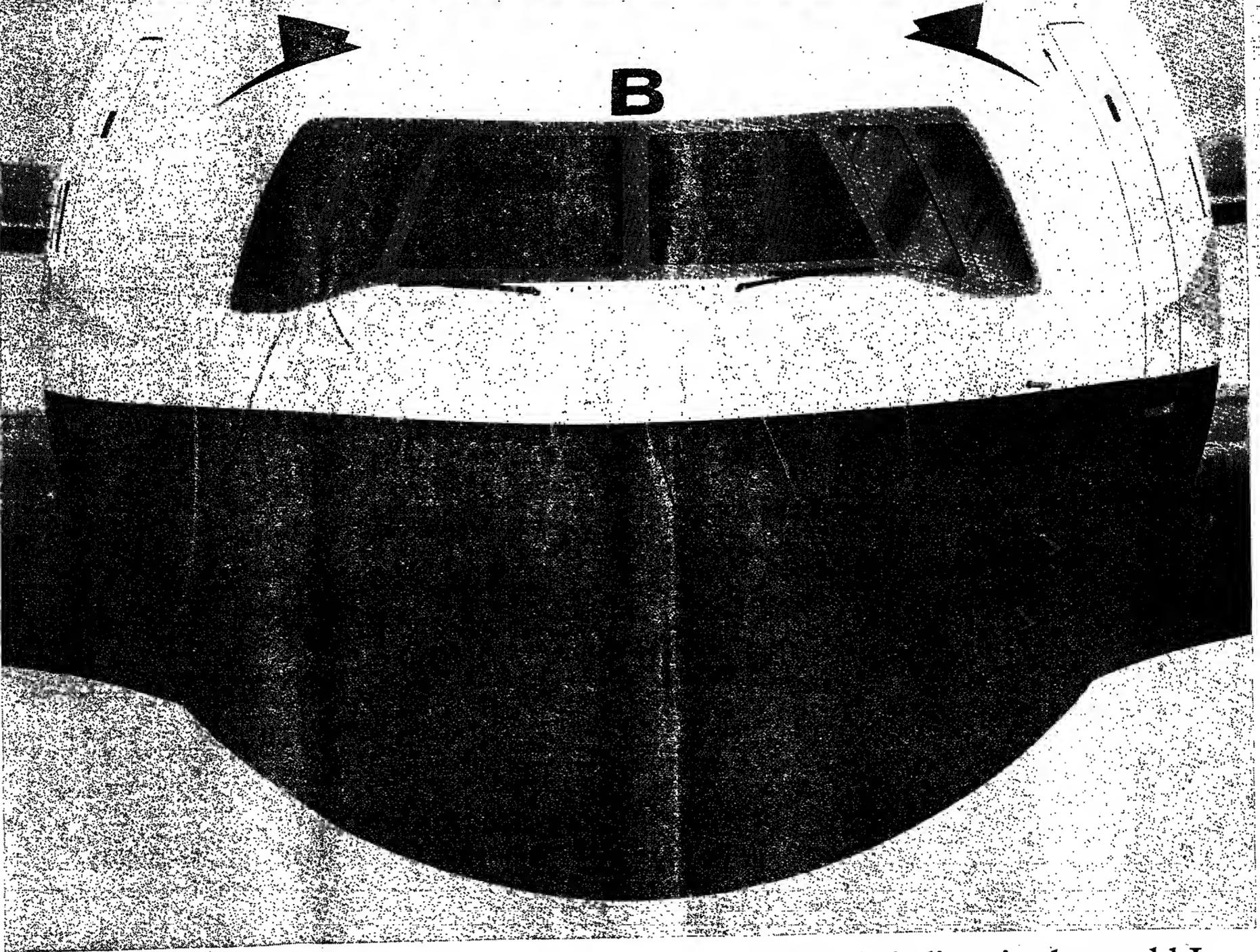
Lucas Logic
PROCESS-TAILORED CONTROL SYSTEMS

Lucas Group Services Limited, Logic Systems Division, P.O. Box 34, Highlands Road, Shirley, Solihull, West Midlands B90 4NU. Telephone: 021-704 3807

كتابخانه العامة

هكذا من العجيب

There's nothing like it under the sound barrier.



The new TriStar 500. It's the most advanced subsonic jetliner in the world. Its navigation control is second to none. As is the on-board computer.

It's slightly shorter than the original TriStar. But that's a breakthrough in itself: all the comfort of a wide-bodied jetliner in a plane that can travel further without refuelling. And that saves you time.

From May 7th our new TriStar 500s will be flying to Abu Dhabi and Dhahran. So you'll have a choice between the world's only supersonic aircraft, and the best in subsonic flight as well.

**British
airways**
We'll take more care of you.

APPOINTMENTS

TAXATION MANAGER

LONDON WC2 c£14,000

Involved in the complete spectrum of international taxation the Tax Manager will manage a department of 6 and report to the European Financial Controller. Developing systems for the review and maintenance of compliance requirements throughout the region, it is envisaged that the Tax Manager will spend 80% of his or her time on tax planning and the application of tax schemes to commercial problems.

A substantial division of a major US group, our client provides a variety of services to the oil industry. Turning over £60 million throughout Europe, this highly profitable division is expanding rapidly. Aged 28-35, applicants should be chartered accountants with broad international taxation experience gained in the profession or industry. Please telephone or write to David Hogg FCA quoting reference 1/1833.

EMA Management Personnel Ltd.
Bume House, 88/89 High Holborn, London, WC1V 6LR
Telephone: 01-242 7773

Financial Controller

Up to £13,500+car (c.30 years)

Required by a multinational organisation to take over a team dealing with the Financial Administration and Control of certain of the Company's overseas markets, including Africa and the Middle East. The product range of high value non-engineering items is manufactured in the UK and shipped to its professional end-users through agents, distributors and subsidiaries. This is one of several company ranges and has a growing turnover in these markets in excess of £10M.

Candidates must be qualified accountants who have had some auditing experience but who are business orientated and have already had several years with an international group working closely with the marketing and general management functions in a management accounting/systems role. Creativity, the ability to initiate change and the maturity to deal with administrative problems are essential requirements. Based in a pleasant rural town west of London within easy reach of Heathrow, he/she will spend up to 30% of their time initially in travelling the territories. There are excellent fringe benefits plus a challenging opportunity for growth in this highly successful group. Please reply in confidence to Ref: MA 213, Robert Marshall Advertising Limited, 44 Wellington Street, London WC2E 7DJ.

Robert Marshall Advertising Limited

AGRI ECONOMIST (South Asia)

This is an exciting and challenging opportunity for a qualified agri-economist to join a major British Trading Company as a key member of an overseas project team for a period of 3 years.

The task is to assist and advise the tea industry of a South Asian country at Government level on the measures needed to revitalise their industry. Accountability will be to the Project Team Leader. The person selected will require to work harmoniously in a small team. A good degree in agri-economics and practical experience in financial projection are essential. Preference will be given to a person who has had previous experience in similar fields in the developing countries.

This is an accompanied status appointment carrying a generous tax free salary. The post also offers fully furnished accommodation, annual paid leave with passages, assistance with boarding education, health insurance, medical care and a gratuity.

Location South Asia Age 30-45 Salary Circa £15,000

Applications quoting MS should reach me as soon as possible, as our client wishes to make an early appointment. In event of postal delay please apply by telephone.

INTERNATIONAL APPOINTMENTS (LONDON) LTD
(Executive Recruitment Consultants)
Greener House, 66/68 Haymarket, London, SW1. Telephone: 01-839 1602/4
Cables: Intapp, London SW1.

Construction Director Technical Development Director

Salary up to £12,000 p.a. (subject to review)

Welsh Development Agency

The Agency has a substantial programme of civil engineering and industrial building—currently £47 million on site and £22 million on the drawing board. It is reorganising its Construction Department and creating two new senior posts to manage this programme. Each post holder will report to the Executive Director in charge of the Construction & Development Division, but under him will be fully responsible for his/her department.

The **Construction Director** will be responsible for the planning and execution of the Agency's construction projects. He/she will organise and oversee the system of project management with teams handling particular schemes. He/she will also have oversight of a new Quantity Surveying Branch. A senior professional qualification along with experience in the control of large building projects will be essential.

The **Technical Development Director** will be responsible for the provision of in-house design services

for a proportion of projects and for advising on the appointment of out-house consultants for the balance. Reporting to him/her will be the Agency's architects, mechanical and electrical engineers and civil and structural engineers. A senior professional qualification in one of these disciplines and a wide experience of the other disciplines are essential.

Salary will be in the range £9,000 to £12,000 p.a. but this is subject to review.

The Agency has a contributory pension scheme and generous assistance will be given with relocation expenses. Annual leave entitlement will be 6 weeks.

Please write or phone for an application form, to be completed and returned by 27th April 1979.

Personnel Department (Ref 472FT),
Welsh Development Agency,
Treforest Industrial Estate,
Pontypridd, Mid Glamorgan, CF37 5UT.
Tel: Treforest (044 385) 2668, Ext 262.

Chief Quantity Surveyor

Salary up to £9,195 p.a.

Welsh Development Agency

The Agency is creating a new branch in its Construction & Development Division to deal with all aspects of quantity surveying. To head this section it seeks a well qualified quantity surveyor with good experience of industrial building and industrial estate development.

The post holder will be expected to help set up the branch in the form of a small team which will handle part of the Agency's large programme of industrial building. He/she will be responsible for systems and procedures over the whole range of estimating and measurement and will advise on the appointment of out-house consultants. A senior

professional qualification in quantity surveying and senior experience in the industrial building and civil engineering field are essential requirements.

The Agency has a contributory pension scheme and generous assistance will be given with relocation expenses. Annual leave entitlement will be 6 weeks.

Please write or telephone for an application form, to be completed and returned by 27th April 1979.

Personnel Department (Ref 471FT),
Welsh Development Agency,
Treforest Industrial Estate,
Pontypridd, Mid Glamorgan, CF37 5UT.
Tel: Treforest (044 385) 2666, Ext 262.

AMERICAN INTERNATIONAL UNDERWRITERS (LONDON) LTD.

Surety and Fidelity Department

A vacancy has arisen within our organisation for a person who has experience of Performance Bond Underwriting and commensurate skills in Credit Analysis.

It is envisaged that the successful applicant will be under 35 years of age and enjoy working within a small and specialised team. This is a responsible position which offers the opportunity to utilise and develop skills with both clients and brokers at senior levels.

Salary will depend upon experience and the Company offers the usual fringe benefits. Initial applications in writing, please to:



Ms J. T. Lowe
Personnel Officer
American International Underwriters (London) Ltd.
126 Fenchurch Street
London EC3

Hong Kong Opportunity for French Speaking Banker

We would like to hear from young bankers—preferably French or thoroughly fluent in French with ability and experience to set up and supervise the Hong Kong Branch of an important Banque d'Affaires.

Salary requirement is not likely to be a limiting factor. Preferred age early 30s.

Please contact Miss Montagu for appointment at Clive & Stokes Ltd., 14 Bolton Street, London W.1. 01-493 2283.

Clive & Stokes Ltd.

Appointments & Personnel Consultants

DIRECTOR-DESIGNATE

Applications are invited for the post of Director-Designate of the North Staffordshire Chamber of Commerce and Industry to take up office early in 1980.

Qualifications are varied and cover responsibility in particular for: commercial services to member firms; servicing committees; organising trade missions to export markets involving some overseas travel; organising seminars and conferences.

The post calls for sound judgement and an ability to use the written and spoken word with precision and authority. The successful candidate is unlikely to be under 35. Applications which will be treated in confidence should be sent to the Director, North Staffordshire Chamber of Commerce and Industry, Winton House, Stoke Road, Shelton, Stoke-on-Trent, ST4 2SL. Closing date: 1 June 1979.

CONSULTANT/INTERVIEWER

We require for our expanding City office a Consultant/Interviewer with Banking and Personnel experience, age 25 plus, starting salary £4,500 plus bonuses, incentive scheme and four weeks holiday.

LJC Banking Appointments
283 9958

TECHNICAL DIRECTOR DESIGNATE

required for manufacturing company, situated on the beautiful island of Anglesey, North Wales. Must have first-class degree in mechanical engineering, and at least five years' production engineering background covering mass production methods. Should also preferably have some experience of running a tool room. Commencing salary to be negotiated but will not be less than £9,000 a year plus own company car. Assistance with removal and housing is available. Applications in the strictest confidence, marked 'The Chairman' and addressed to PARK-LADDER LTD., No. 1 Advanced Factory, Geirwan, Anglesey, Gwynedd.

QS BANKING RECRUITMENT CONSULTANTS

FX Dealer (Bahrain) £22,000
Credit Manager to £9,000
Unit Trust Representatives to £8,000
ACA £7,500
MBA £7,000
We should also like to hear from Clearing Bankers wishing to develop their careers, also secretarial staff at all levels.
Please contact:
MIKE POPE or
SHELLA ANKETELL-JONES
236-0731
30/31, Queen Street, E.C.4.

Senior Marketing Opportunity in Leasing and Asset Financing

Chemco International Leasing Inc., a subsidiary of Chemical Bank, is one of the largest international asset financing groups in the world.

Due to a major relocation to the Far East of one of our senior UK marketing staff an outstanding opportunity exists for a marketing executive based in London.

The successful candidate, male or female, will report direct to the Managing Director and must be highly motivated and work with the minimum of supervision. You should have wide experience of the middle to big ticket market so that you can make an immediate contribution.

You should be numerate with a sound knowledge of lease purchase, conditional sale, tax leverage leasing, vendor programmes and other complex areas of UK financing techniques plus the ability to cope with documentation and corporate analysis.

This challenging position calls for the ability to work in a very sophisticated environment, where you will be expected to negotiate at the highest level with UK and multi-national customers. An above average salary is offered, plus all the usual benefits associated with a senior post in a major international financial institution.

Please write enclosing a CV to the Managing Director, Mr Richard Holloway, Chemco Equipment Finance Limited, 85-87 Jermyn Street, London SW1Y 6JD.

CHEMCO INTERNATIONAL LEASING, INC.

Williams Lea

Financial printers in the City seek a

Senior Salesman (Male/Female)

This is an opportunity for a Salesman with printing and City knowledge to join the company at a time when we plan to expand rapidly.

Ideally, candidates will already possess a record of sales success in Financial Print but we are just as interested in applications from people with a knowledge of the City Market who, given training, can sell.

We offer a high basic salary, staff bonus, pension scheme and company car, together with an opportunity to develop a career in a professional, fast-moving sales environment with the potential for personal progression.

Apply to E. Walsh Sales Director
Telephone 01-247 4366
or write

Suitably qualified people should ring or write to E. Walsh at Williams Lea & Co. Ltd., Cliffton House, Worship Street, London EC2A 2EJ. Tel. 01 247 4366.

Williams Lea

An overseas division of a major International group in fast moving consumer products requires an

Assistant Finance Director

Salary circa £10,000 + Car

This exciting opportunity occurs because of reorganisation designed to strengthen the divisional management.

An ambitious chartered accountant is needed to assist the divisions Finance Director in the control of six overseas markets.

This senior appointment demands an accountant aged about 30 with 2 years' commercial experience preferably in an international environment.

The successful candidate must be able to work independently and to deputise for the Finance Director whenever necessary. Substantial overseas travel is involved from a London base.

The remuneration package is generous and includes: bonus, pension plan, group life insurance, BUPA and disability insurance all of which are non-contributory. There are excellent prospects of advancement within the Group.

London Age circa 30 Salary circa £10,000 + car
Our client wishes to make an early appointment, candidates should therefore ideally make initial contact by telephone quoting PX.

Robin R Whalley

INTERNATIONAL APPOINTMENTS (LONDON) LTD

(Executive Recruitment Consultants) Telephone: 01-839 1602/4
Greener House, 66/68 Haymarket, London, SW1. Cables: Intapp, London SW1

مكتبة النور



Deputy Chief General Manager

Trustee Savings Banks

From £25,000

The Trustee Savings Banks Central Board, which monitors and directs the operations of the eighteen regional T.S.B.s and five related subsidiary companies, wishes to appoint a Deputy Chief General Manager who will join the organisation at a formative stage and play a key part in the development of the Board's activities. The role is wide ranging and calls for an individual with extensive

experience, particularly in Banking, at a senior management level. Candidates, male or female, preferably aged around 50, must be able to demonstrate the professional ability and personal stature required. Salary will be negotiable from £25,000 and the usual banking sector benefits will apply. Location: London. Date of taking up appointment: 1st October, 1979.

(PA Personnel Services Ref: GM45/8833/77)

Initial interviews are conducted by PA Consultants. No details are divulged to clients without prior permission. Please send brief career details or write for an application form, quoting the reference number on both your letter and envelope, and advise us if you have recently made any other applications to PA Personnel Services.

PA Personnel Services

Hyde Park House, Knightsbridge, London SW1X 7LE. Telephone: 01-235 6060. Telex: 27874.



Member of PA International

Manager-Banking

c.£13,500 Tax Free United Arab Emirates

Our client, a rapidly expanding locally incorporated Commercial Bank, now requires a Manager for a new branch in Abu Dhabi.

The Manager will report directly to Head Office and will have full responsibility for this branch.

Candidates, aged 28-40, should therefore ideally be Associates of the Institute of Bankers and have considerable bank operations experience. Some knowledge of the Middle East, or of working overseas, would clearly be an advantage.

The rewards are exceptional and will include a negotiable salary of around £13,500 tax free, motor car, free married furnished accommodation, six weeks annual leave, air fares each year and free medical treatment.

Please write in confidence, initially with brief details, quoting reference 919 to John Anderson, as Advisor to the company.

John Anderson & Associates

Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ.

Management Accountant

c.£8,000 + car

Berkshire

A leading industrial group, in a growth situation, requires a Management Information Accountant. The duties of this headquarters based appointment include the preparation of monthly management accounts, annual accounts and collation of long term plans. Sophisticated reporting systems provide for the use of initiative and the introduction of new ideas.

He/she will be a qualified accountant whose industrial experience includes a good appreciation of the principles of consolidation. Aged late 20s/early 30s you will be ambitious and capable of meeting the challenging opportunities afforded by our clients who enjoy an enviable reputation as employers. A company car will be provided together with the benefits normally associated with a large public company.

Applications in confidence to Bernard L. Taylor (Ref. 6377)

Mervyn Hughes Group

2/3 Cursitor Street, London EC4A 1NE
Management Recruitment Consultants
01-404 5801

DRI INTERNATIONAL, INC.

THE LEADING ECONOMIC CONSULTING FIRM IS LOOKING FOR A CONSULTANT/MARKETING ECONOMIST FOR ITS FAST-GROWING EUROPEAN OPERATION.

He or she is a capable economist who has the commercial drive to help us grow at our historical high rate, the analytical skills to perform the varied activities of modern economic consulting (management presentations, econometric model building, forecasting, programming) and the ability to sell. The ideal candidate is 28-35 years old, has advanced degrees in economics and business administration, has demonstrated in previous assignments both analytical and entrepreneurial abilities. Fluency in French is important and knowledge of other European languages is an added advantage. Position based in Brussels, with substantial international travel. Very attractive salary, commensurate with experience and skills.

Please write or call: DRI INTERNATIONAL, INC.
Avenue Louise 22 - BTE 5, B1050 Brussels, Belgium. Tel: 02/648 54 45.

Recently-Qualified Accountant

c.£8,000

This is an excellent opportunity for a recently-qualified accountant to broaden his or her financial experience. Willis Faber is a leading Lloyd's broker operating in world-wide insurance and re-insurance markets. We require an additional person to join the Group Finance Department. Responsibilities will include financial and tax planning, overseas companies, special projects. The successful candidate will be offered a generous remuneration. Please send full cv. to Peter Childs or ring 01-488 8715.

Willis Faber

International Insurance and Reinsurance Brokers
Willis Faber & Dumas Ltd.
Ten, Trinity Square, London EC3P 3AX
and at Lloyd's

Bank Appointment

SECTION LEADER—mid 20s— for tuition instructions section of a long established city bank. 5-6 years' experience of F/Ee instructions would suit. House purchase assistance. Good working conditions.
Send career details to: R. W. H. Lubbock, Chorierhouse Jephel Limited, 1, Paternoster Row, St. Paul's London, EC4M 7DH.

APPOINTMENTS WANTED

FORMER MANAGING DIRECTOR

aged 39, of International Company, requires position of interest in established firm, or setting up new one, in any rural area, though preferably East Anglia. Write Box A.6728, Financial Times, 10, Cannon Street, EC4P 4BY.

TRAVEL

GENEVA, Rome, Zurich and Bern, widest range of cheap flights from a UK base. Also: BRUSSELS, CPT Ltd., 01-331 2197. Telex: 09578. ATOL 3599.

IMPORTANT GROUPE DE COURAGE D'ASSURANCES RECHERCHE

RESPONSABLE DES AFFAIRES ANGLAIS-SAXONNES

Les candidats, âgés de 30 ans, devront être capables d'assumer la gestion et le développement de notre portefeuille international de réassurance des relations avec notre centre Britannique. Une parfaite maîtrise de la langue française est nécessaire.

Adressez v. v. photo + prétentions à: S.G.C.A. Service des Personnels, 45 bd. Haussmann, 75008 Paris, France.

QS BANKING RECRUITMENT CONSULTANTS

Deputy Chief Dealer

Fast growing overseas bank requires a highly motivated person 27-35, experienced in all aspects of Oeiling Room operations, but preferably FX Dealer. Salary to £14,000. Please apply to: Mike Pope—236-0731, 20/21 Queen Street, EC4.

CONSULTANT FOR GREECE

Required as consultant for a 3 year tender for the construction of a 3.0 m wide motorway in Greece. Closing date: 15th April 1979. For details contact: S. G. C. A. Service des Personnels, 45 bd. Haussmann, 75008 Paris, France.

LEGAL NOTICES

No. 00811 of 1979
FIRST GIBBY LIMITED
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above Company by the High Court of Justice was on the 15th day of April 1979, presented to the said Court by T. RICHARD JOHNSON LIMITED and whose Registered Office is at 26 Savile Row, London W1X 2EL. The said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, W.C.2, on the 30th day of April 1979, at 10.30 a.m. Any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition should appear at the time appointed for that purpose and a copy of the Petition and the Order proposed thereunder to any Creditor or Contributory of the said Company requiring such copy of payment of the requisite charge of the same.

MESSRS. LEWIS RUSKIN & CO., 110, Tottenham Court Road, London W1P 0LP, Solicitors for the Petitioner.

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MESSRS. LEWIS RUSKIN & CO., 110, Tottenham Court Road, London W1P 0LP, Solicitors for the Petitioner.

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SENIOR EXECUTIVES

If you are in the job market now—we are here to help. Careers provided—
* Excellent job search assistance.
* A thorough knowledge of the job market.
* Contact with top recruitment.
* Confidential and expert counselling.
* Superb Secretarial back up.
Telephone now for a cost free assessment meeting.

Percey COUTTS & Co
01-839 2271
140 Grand Buildings
Trinity Square,
London WC2.

THE CITY UNIVERSITY ESMEE FAIRBAIRN CHAIR OF FINANCE & INVESTMENT

Applications are invited for the vacant Chair which has been established in The City University Business School by the generosity of Esmée Fairbairn Trust. The holder of the Chair will be Head of the Finance Division of the School and will be responsible for research and teaching in finance and investment.

The salary will be in the range for professional posts and there will be a London Allowance of £500 per annum.
Further particulars may be obtained from the Academic Registrar, The City University, Northampton Square, London EC1V 2DB. The closing date for applications is 10 May, 1979.
Please quote reference: F.

CONFERENCES

TRANSPORT CONFERENCE

Amman, Jordan
May 12, 13, 14, 1979

Speakers from all over the world and Senior Officials to discuss transportation in the Arab States.

Full details: Confex (International Shipping & Conferences) Ltd., 4, New Burlington Street, London, W1X 1FE, Tel: 01-437 9545/8/7, Telex: 28156.

PUBLIC NOTICES

ROCHDALE METROPOLITAN BOROUGH COUNCIL BILLS
£117,979.14 at 11.75% on 11.7.79 and there are £2,900,000 outstanding.
CENTRAL REGIONAL COUNCIL BILLS
£117,979.14 at 11.75% on 11.7.79 and there are £2,900,000 outstanding.
MIDDLESEX COUNTY BILLS
£117,979.14 at 11.75% on 11.7.79 and there are £2,900,000 outstanding.
METROPOLITAN BOROUGH OF HOUSTON BILLS
£117,979.14 at 11.75% on 11.7.79 and there are £2,900,000 outstanding.
CITY OF SHEFFIELD BILLS
£117,979.14 at 11.75% on 11.7.79 and there are £2,900,000 outstanding.
CITY OF BIRMINGHAM BILLS
£117,979.14 at 11.75% on 11.7.79 and there are £2,900,000 outstanding.

NOTICE IS HEREBY GIVEN that the 1978 Annual General Meeting of the CREDIT MORTGAGE LIFE ASSURANCE SOCIETY will be held at the Society's Headquarters, 18 St. James's Square, London SW1A 2BB, on Monday, 15th May 1979 at 2.30 p.m. for the following purposes:

- To receive the Accounts of the Society for the year ended 31st December 1978 and the Directors' and Auditors' Reports thereon.
- To re-elect Directors.
- To re-appoint the Auditors.
- To authorise the Directors to fix the remuneration of the Auditors.
- To transact any other ordinary business of an Annual General Meeting.

Any member entitled to attend and vote at this meeting is requested to bring a copy of this notice to the meeting and to sign and return a copy of the form enclosed with this notice to the Secretary of the Society, 18 St. James's Square, London SW1A 2BB, on or before the date specified in the notice.

By Order of the Board,
18, St. James's Square,
London, SW1A 2BB.
12th April, 1979.

NOTICE IS HEREBY GIVEN that the 1978 Annual General Meeting of the CREDIT MORTGAGE LIFE ASSURANCE SOCIETY will be held at the Society's Headquarters, 18 St. James's Square, London SW1A 2BB, on Monday, 15th May 1979 at 2.30 p.m. for the following purposes:

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By Order of the Board,
18, St. James's Square,
London, SW1A 2BB.
12th April, 1979.

CONTRACTS AND TENDERS

EXPLORATION RIGHTS SILICA SAND

Offers are invited for the right to prospect for and to exploit the quality of silica sand deposits in south-west India.

For Particulars, Heads of Terms for Agreement, etc., apply to Forayit Commission, East (Scotland) Concessions, 6, Queen's Gate, Aberdeen, AB9 2NQ.

F/X & Treasury

Corporate Development

Our Client is a prominent and highly-regarded international Merchant Bank enjoying an excellent reputation for the quality and efficiency of its foreign exchange and money market activity.

The bank's current plans call for an executive to assume responsibility for the development of foreign exchange and treasury activities with its corporate clients. Ideal candidates will be in their late 20's and possess strong dealing experience and a keen awareness of the underlying influences affecting the international markets.

This is a challenging and developing career opportunity which carries a five figure salary and attractive benefits to match the significance of the appointment.

Contact Norman Philpot in confidence on 01-248 3812

NIPA Recruitment Services Ltd

60 Cheapside London EC2. Telephone 01 248 3812

COMPANY NOTICES

TO THE HOLDERS OF EUROPEAN DEPOSITARY RECEIPTS FOR COMMON STOCK OF TRIO KENWOOD CORPORATION

Formed by Trio Electronics Inc. DESIGNATED COUPON NO. 36 (Action required on or prior to 30th June, 1979)

Chemical Bank, as Depositary (the "Depositary") under the Deposit Agreement dated as of May 15, 1979, among Trio Kenwood Corp. (the "Company"), the Depositary and the holders of European Depositary Receipts (the "Receipts") issued hereunder, in respect of the Common Stock of the Company, has the honor to advise you that the Company has filed with the Registrar of Companies in London, a copy of the Certificate of Incorporation of the Company, as amended, and a copy of the Memorandum and Articles of Association of the Company, as amended, in accordance with the provisions of the Deposit Agreement.

The Depositary has the honor to advise you that the Company has filed with the Registrar of Companies in London, a copy of the Certificate of Incorporation of the Company, as amended, and a copy of the Memorandum and Articles of Association of the Company, as amended, in accordance with the provisions of the Deposit Agreement.

To determine entitlement to the lesser withholding rate of 18%, it is necessary that the holder of the Receipts should be accompanied by a properly completed and signed certificate (copies of which are obtainable at the office of the Depositary in London or any Sub-Depositary) as to the residence and trade or business activities in Japan (if applicable) of the holder of the Receipts. Such certificates may be forwarded by the Depositary to the Company upon its request.

Payment in United States Dollars of the amount of the dividend payable will be made at the office of the Depositary in London or at the office of any Sub-Depositary listed below on the 30th day of June 1979.

CHEMICAL BANK, as Depositary, 180, Strand, Amsterdam, The Netherlands	FRANKFURT/M. as Depositary, Luxembourg City, Luxembourg.
Dividend payable (less 15% Japanese withholding tax)	Dividend payable (less 15% Japanese withholding tax)
100 Depositary Shares	100 Depositary Shares
£ 130	£ 175
100 Depositary Shares	100 Depositary Shares
£ 130	£ 175

Payment in United States Dollars in respect of Coupon No. 36 will be made by United States Dollar check drawn on Citibank in New York City. Dated: 12th April, 1979.

30th November, 1978, has been established as the record date for the determination of the stockholders of the Company entitled to such dividend. The receipt received by the Company from Citibank in New York City dated 12th April, 1979, is hereby acknowledged.

To obtain holders of Receipts may be entitled upon the fulfilment of certain conditions to receive in the United States Dollars, the amount of the dividend payable, it is requested that holders of Receipts should take such action as to be appropriate in the circumstances to assist such holders in availing themselves of such facilities.

Because of Japanese tax requirements applicable to the Company, the Certificate has been issued to the Company, shortly after 30th June, 1979, the receipt received by the Company from Citibank in New York City dated 12th April, 1979, is hereby acknowledged.

As a result, persons surrendering Coupon No. 36 after such date will be entitled to receive from the Depositary, in the United States Dollars, the amount of the dividend payable, it is requested that holders of Receipts should take such action as to be appropriate in the circumstances to assist such holders in availing themselves of such facilities.

By Order of the Board,
18, St. James's Square,
London, SW1A 2BB.
12th April, 1979.

CLERICAL, MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY

NOTICE IS HEREBY GIVEN that the 1978 Annual General Meeting of the CLERICAL, MEDICAL AND GENERAL LIFE ASSURANCE SOCIETY will be held at the Society's Headquarters, 18 St. James's Square, London SW1A 2BB, on Monday, 15th May 1979 at 2.30 p.m. for the following purposes:

- To receive the Accounts of the Society for the year ended 31st December 1978 and the Directors' and Auditors' Reports thereon.
- To re-elect Directors.
- To re-appoint the Auditors.
- To authorise the Directors to fix the remuneration of the Auditors.
- To transact any other ordinary business of an Annual General Meeting.

Any member entitled to attend and vote at this meeting is requested to bring a copy of this notice to the meeting and to sign and return a copy of the form enclosed with this notice to the Secretary of the Society, 18 St. James's Square, London SW1A 2BB, on or before the date specified in the notice.

By Order of the Board,
18, St. James's Square,
London, SW1A 2BB.
12th April, 1979.

BANCO CENTRAL DE RESERVA DE EL SALVADOR

US\$ 25,000,000
Floating Rate 1978/83

The rate of interest applicable for the six month period beginning on 12th April, 1979, and set by the reference Agent is 12% annually.

NOTICE TO HOLDERS OF BEARER DEPOSITARY RECEIPTS FOR COMMON STOCK OF OAI NIPPON PRINTING CO. LTD.

We are pleased to confirm that copies of the Semi-Annual Consolidated Financial Statements for the six-month period ended November 30, 1978 of OAI NIPPON PRINTING CO. LTD. and Consolidated Subsidiaries have been received by the Depositary upon application to the following conversion agent:

Conversion agent: Citibank branches in: Frankfurt, Amsterdam, Milan, London, Luxembourg, Banque Generale du Luxembourg, Citibank N.A. as Depositary.

CONTRACTS AND TENDERS

FINANCIAL TIMES LEAD & ZINC

The Financial Times proposes to publish a Survey on Lead and Zinc.

For information and details about advertising rates please contact: Margaret Stramonds, Financial Times, 1, Bouverie Street, London EC4P 4BY. Tel: 01-248 9900 Ext 7180

APPOINTMENTS

Deputy managing director for Selection Trust

Mr. L. A. Cook has been appointed deputy managing director of SELECTION TRUST. He joined the company in 1943 and was appointed to the Board in 1971, having previously been secretary and later manager. As a director, his responsibilities have been primarily concerned with group finance.

Mr. P. J. S. F. Kenney has been elected to the Board of FANE STEVENSON AND COMPANY. Mr. David R. Stevens has been appointed chairman of DUALVEST, which is managed by Drayton Montague Portfolio Management. Mr. Stevens has also become chairman of TRIPLEVEST and Mr. John R. Storr has been elected to the Board of FANE STEVENSON AND COMPANY.

Mr. T. F. Aitken is to succeed Mr. F. M. Gill as chairman of CILL AND DUFFUS GROUP on June 6, and Mr. R. E. Blackman will become deputy chairman from that date. Mr. Gill will remain on the Board.

Mr. J. F. Floyd has become production director, UK operations of the GOODYEAR TYRE AND RUBBER COMPANY to succeed Mr. J. R. Burley, who is taking up an appointment in the Philippines. Mr. Floyd will be based at Wolverhampton.

Mr. J. G. Charles White, senior partner of Baillie Gifford and Co., has been appointed additional director of EQUITY CONSORT INVESTMENT TRUST and of its subsidiary ECIT FINANCE.

Mr. Jurgen Essmer has become financial director and acting managing director of NEFF (UK) following the appointment of the managing director Mr. E. U. Hanneke to managing director of NEFF (FRANCE).

Mr. Brian Perreval has been appointed a director of SALTER PRECISION PROSSEWOR, a member of Staley Industries.

CHEMICALS, have left the company as part of a re-organisation of senior management. Mr. J. F. Dawson has been appointed research and development director, and Mr. R. D. Beardsall is now designated production director.

Mr. Grant M. Lockhart has been appointed managing director of CARBODIES, a subsidiary of Manganese Bronze Holdings, in succession to Mr. W. T. Lucas, who has retired because of ill-health.

Mr. Philippe Lacamp has been appointed a director of ALLDERS LIMITED. He is head of systems for Alders Department Stores which is a division of the UDS Group.

The Secretary for Trade has appointed Mr. P. A. Taylor, general manager, Royal London Insurance Society, and Mrs. Miriel Turner, assistant general secretary, Association of Scientific, Technical and Managerial Staffs, to his panel of insurance advisers for three years.

Mr. Kenneth Lasky has been appointed group managing director of ALLOYTRONIC HOLDINGS in place of Mr. Dan Sullivan, who will become deputy chairman and concentrate on corporate expansion. Mr. Lasky was formerly managing director of the groups wholesale distribution. Mr. David Harris is now managing director of the wholesale distribution division.

Comte Aymar de Lastours has been appointed a director of the MORGAN CRUCIBLE COMPANY. He is senior international executive of Pechiney Ugine Kuhlmann SA.

Mr. Terry Clarke has been appointed area director at the West End (West) area office of NATIONAL WESTMINSTER BANK following the retirement of Mr. Bob Catterall. Mr. Bob Boyd, previously manager at Stamford, London, succeeds Mr. Clarke as manager of the 208 Piccadilly branch.

Mr. C. R. Buckridge has been appointed chairman of the SHEFFIELD SMELTING COMPANY, which is part of Engelhard Minerals and Chemicals Corporation. Mr. Buckridge is managing director of Engelhard Industries European Management Group.

Mr. J. P. Knight has been elected president of the BRADFORD AND BINGLEY BUILDING SOCIETY in place of Mr. Norman H. Shaw, who remains a director. Sir Richard Denby has become vice-president.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS.

Finance for Growing Companies. If you are a shareholder in an established and growing company and you, or your company require between £50,000 and £5,000,000 for any purpose, ring David Wills, Charterhouse Development. Investing in medium sized companies as minority shareholders has been our exclusive business for over 40 years. We are prepared to invest in or lead to unquoted companies currently making pre-tax profits of more than £100,000 per annum. CHARTERHOUSE Charterhouse Development Limited, 1 Paternoster Row, St. Pauls, London EC4M 7DH. Telephone 01-248 3999. A member of The Charterhouse Group

FOR DISPOSAL ASSETS OF SPECIALISED MARINE PATROL BOAT DEVELOPMENT/MARKETING PROJECTS (SOUTH COAST). Products are exclusive, attractive technically and vary much so commercially. Inventory includes quantity basic items, spares, exclusive designs, construction plans, etc. Labour/Superintendent. Price required £20,000. Principal retiring. Turnover £1 upwards easily possible for competent party. Write Box G.3668, Financial Times, 10, Cannon Street, EC4P 4BY.

FINANCE FOR THE DEVELOPING COMPANY. Obtain details of our Factoring and Invoice Discounting Services. AMBROUNT FACTORS LTD. Broad Place, Hastings TN34 3AB. Contact: S. E. Finch. Tel: 0424 430824.

MIDLANDS & SOUTH MIDLANDS. An established and successful mechanical engineering company whose sales outstrip its capacity require an interest by way of equity in a good well-managed general fabrication concern preferably in the areas stated above. We would like to hear from principals only, who may be interested in a joint venture with a view to expansion. Write in first instance to: Roberts & Co., Solicitors, Rel. E.B. 25, Castle Street, Liverpool 2, Merseyside.

4 BRAND NEW MERCEDES. mop-cars, with delivery mileage, models as follows: 450 SEL (2), 450 SLC, 450 SL. We are offering these cars at list price on delivery, with initial deposit of £5,250.00 each now, balance up to list price on arrival, at interest-free monthly instalments to be agreed. Legal contract drawn up. We will apply this offer to individuals or companies wishing to purchase all four cars. Write Box G.3652, Financial Times, 10, Cannon Street, EC4P 4BY.

TAX LOSSES SHARE TRADING CO. WITH SUBSTANTIAL LOSSES FOR SALE. Write Box G.3679, Financial Times, 10, Cannon Street, EC4P 4BY.

SUPERIOR SURFACE COATINGS. For roof repairs, floor coatings, wall protection and decoration, there's nothing to match our unique, extremely durable range of plastic coatings. PLASTICS AND RESINS LTD. Cleveland Road, Wolverhampton WV2 1BU. Phone: 0902 53215.

IBM ELECTRIC TYPEWRITERS. Factory reconditioned and guaranteed by IBM. Buy, save up to 50%. Lease 3 years from £25 per month. Tel: 01-441 2345.

CUMBRIA. Apply 3 miles. Height 11 miles. 2.5 km. VICTORIA PENNINE VIEWS WITH DRAMATIC PENNINE VIEWS. 1200 sq. ft. 3 bedrooms, 2 bathrooms, double garage, stable 2 horses, swimming pool, tennis court, 1000 sq. ft. garden, 1000 sq. ft. paddock. FOR SALE FREE WITH ABOUT 10 ACRES. Knight, Frank & Rutley, High Street, Bournemouth, North Dorset. Tel: 09312 3171.

CAPITAL AVAILABLE. For Viable International Projects \$500,000 Minimum. Also excellent U.S. and Foreign Investment Opportunities available. Venture Capital Consultants, 1500 Ventura Blvd., Suite 500A, Sherman Oaks, California 91403 USA. (714) 789-0422. Telex: 651333 VENCAP USA.

MEDIUM/LONG TERM MORTGAGE OF £250,000 REQUIRED. at a sensible interest rate on an outstanding new industrial/warehouse development, let to first class tenants (2 public companies), and valued at £500,000. Genuine replies please to Box G.3684, Financial Times, 10, Cannon Street, EC4P 4BY.

LIMITED COMPANIES FORMED BY EXPERTS FOR £78 INCLUSIVE READY MADE £83 COMPANY SEARCHES EXPRESS CO. REGISTRATIONS LTD. 30, City Road, EC1. 01-528 5434/5, 7361, 8336.

FINANCE REQUIRED. When your business needs funds make sure you have the requirements right. As corporate advisers Fourfold Securities specialise in researching and preparing applications for finance and can make recommendations on available sources. Telephone: 01-430 3778 or write for further information to: FOURFOLD SECURITIES LIMITED, 55/58 Pall Mall, London, SW1.

PLANT AND MACHINERY. CONTAINER HANDLER 30 ton capacity. Capable of handling 20ft, 30ft, and 40ft containers. Complete with hydraulic operated spreader. Hours worked to date 3,000. Price £20,000. Birmingham. For LHM Truck Ltd. 4-8 Home Road, Street, EC4P 4BY. Tel: 01-248 8437/2.

KWIKFORM. Have you a product suitable for hiring to the British Building Industry? Kwikform Ltd. operates from hire depots strategically positioned throughout the United Kingdom—all of them well established bases for our extensive hire business. We have the capacity to add new products to our range. Hire business is generated not merely by depot location but also by our powerful selling organisation. We can also provide through well established local organisations access to our markets in E.E.C. and Scandinavia. If you have a suitable product and would like to exchange information, please write with the fullest details to: The Managing Director, KWIKFORM LTD., Waterloo Road, Birmingham B25 8LE.

HOTELS/RESTAURANTS LONDON AND COUNTIES. We are a successful private group of companies operating hotels and restaurants. We are seeking to expand our group by acquisition, for cash, of other restaurants/country pubs, etc. We are also prepared to discuss partial acquisitions and would seek to retain management. Reply in first instance to: M. E. Smith, C.A., 21, Devonshire Street, London W1N 1FN. Tel: 01-935 2457.

NORTH AMERICA. We are advisers to Public and Private Companies seeking expansion through MERGERS - ACQUISITIONS - MANUFACTURING UNDER LICENSE - DISTRIBUTING. We will work in the U.S.A./Canada to research and present opportunities according to your brief. We provide all necessary Market Research, Investment Planning, Tax and legal advice where necessary. BRYLCORP (INTERNATIONAL) LTD. GORDON HOUSE, STATION ROAD, LONDON W9V7 2JU. TEL: 01-906 0917/7. TELEX: 280409 EXTL. DN/O.

ARE YOU REPRESENTED IN CALIFORNIA? Labour TENDERING? FOR THE LABOUR COMPONENTS OF ANY OPERATIONS IN ANY COUNTRY CONSULT: GRIFCAMP HOLDINGS INTERNATIONAL LTD. 42/45, New Broad Street, London, EC2M 1QY. Tel: 01-226 0886. Telex: 8811725. Company identity in UK, Saudi Arabia, Pakistan, India, Bangladesh and the Philippines.

BUSINESSES FOR SALE. ENGINEERING COMPANY £1m. Turnover. Family company manufacturing capital equipment to own design and under licence is offered for sale. The company has substantial fabrication and machine shops on a large freehold site with ample room for further development and has considerable tax losses. The present management will remain. Apply in writing to: P. J. Folkman, ICFC Limited, 264 Fulwood Road, Sheffield S10 3BL.

DISPLAY MANUFACTURERS. N. LONDON - EST. 1946. Turnover excess of £200,000. Full order books. Fresh start factory. Owners retiring. Offers excess of £175,000. Write Box G.3681, Financial Times, 10, Cannon Street, EC4P 4BY.

WORKING PARTNER REQUIRED. To inject capital into display, design and manufacturing company in North London. Lease available. DAVIS, WOOLFE & CO. 6, Paddington Street, London, W.1. Tel: 01-496 3621.

RECORD COMPANY. Business for sale incorporating wholesale distribution, classical music order and export. Retail outlet also available. Based in South London with good established warehouse. Substantial tax losses. Please telephone 01-831 7130 ext. 318 Monday to Friday.

DYNAMIC GROWTH BUSINESS. Combining a specialist market double in sales every year. Little competition. Highly profitable. Owners retiring. FOR SALE FOR £180,000. Write Box G.3682, Financial Times, 10, Cannon Street, EC4P 4BY.

HOTELS AND LICENSED PREMISES. LONDON. An impressive hotel with a superb position in a select residential area close to one of London's most beautiful parks. 94 BEDROOMS EACH WITH PRIVATE BATHROOM. BAR RESTAURANT LOUNGE. In receipt of appreciable increasing trade. Freehold £1,800,000 (00029/CC).

Knight Frank & Rutley. 20 Hanover Square London W1R 0AH. Telephone 01-629 8171 Telex 265384.

FLEURETS. CHARTERED SURVEYORS. For Sale By Auction on the premises 16th May, 1979, at 3.30 p.m. THE GOAT INN ST. ALBANS, HERTS. Attractive Free, Freehold, Fully Licensed, 3 Bars, Restaurant, Clubroom, 10 Letting Rooms, Car Park. 01-636 8995. 18, BLOOMSBURY SQUARE, LONDON WC1A 2NS.

CHRISTIE & CO. HIGHLY PROFITABLE 35-BEDROOM NORTHERN ISLANDS HOTEL. An important commercial and tourist hotel in a delightful setting. Hotel of Norwegian construction. Two substantial bars, dining room, lounge, one bedroom with own bath. High standard owner's flat. Trading profit for 1978 approx. £89,000 before tax. Added accounts available. Full free certificate. Offers in region of £200,000 and s.a.v. Sole Agents, 10, Melville Street, Edinburgh. Tel: 031-226 9421.

CHESHAM. ACQUISITIONS & MERGERS BY AGREEMENT. AMALGAMATIONS & INVESTMENTS LIMITED. Our business is merging your business. Successfully. 36 CHESHAM PLACE LONDON SW1. 01-235 4551.

A GUARANTEED SOLUTION TO CAPITAL GAINS TAX. A special facility is available to our clients which avoids a C.G.T. liability arising on the sale of a substantial company. Inland Revenue Clearance can be obtained BEFORE you proceed with the sale ensuring NO RISK OF FAILURE. If you are faced with a potential gain of £100,000-£1 million on a future planned sale please write for full details. (We regret no telephone calls can be accepted). Managing Director (Ref. C.C.T.1), Ackrill, Carr & Partners Limited, Tricorn House, Five Ways, Birmingham, B16 5TP.

PAYING TOO MUCH TAX? as a small company or high rate tax payer its very likely! Before you pay any more, at least read the Leasing Report—send for free copy to: The Leasing Report, 43d, New Broad St., London, E.C.2.

LONG LIFE SYNTHETIC LUBRICANTS. A complete range of synthetic lubricants with a service life of 25,000 miles in petrol engines and up to 100,000 in diesel engines, manufactured in the U.S.A. are now available for distribution in U.K. and Europe. These lubricants combine engine life and greatly improve fuel consumption and have been stringently tested by the American Petroleum Institute and American Markets with 10 test for two or three progressive stages who are in urgent need of additional profitable orders. Coupled with Product and Market development, Small reasonable margin and payment by results. Principals only. Write Box G.3683, Financial Times, 10, Cannon Street, EC4P 4BY.

PROFITS ADDITIONAL SALES. Business people, trained Engineers with extensive Management and Marketing Sales contacts throughout British, European and American Markets with 10 test for two or three progressive stages who are in urgent need of additional profitable orders. Coupled with Product and Market development, Small reasonable margin and payment by results. Principals only. Write Box G.3683, Financial Times, 10, Cannon Street, EC4P 4BY.

ADDITIONAL CAPITAL (£50,000 to £20,000). required by small, well-established private limited company in the specialist engineering field. Interesting opportunity for private investor. Write Box G.3676, Financial Times, 10, Cannon Street, EC4P 4BY.

Pepsi-Cola. Prompt shipment ring pulled steel cans. Arabic labelling on lid. 34 x 12 oz size 54.60 case, 24 x 6 oz size 54.25 case. G. L. Evans or most other Mid East/Gulf posts. Minimum order 10 containers, loads each size. Moore, 22a, Empire House, 175, Piccadilly, London, W.1. Tel: 01-493 8457. Telex: 847777 Dalryp Moore.

FOR SALE. COMPANY HOLDINGS. Private Limited Company based in London, established 26 years, manufacturing and wholesaling 'leaves and mchgs' nylon and associated products. Turnover over £700,000 per annum and exports accounting for over 30% of the business. Valuable lease, guaranteed sources of supply and trade marks available, highly profitable. Reason for sale is retirement of controlling directors. Principals only should apply. Write Box G.3670, Financial Times, 10, Cannon Street, EC4P 4BY.

GLENSHEE FABRICS. This small business, specializing in quality, high quality Linen and Cotton Embroidery Fabrics is for sale. Excellent overseas and home trade connections. Several reasons for selling. RICHMOND BROTHERS. Balford Road Works, Dundee. Tel: 082 67191.

FIXED ASSETS OF SOUTH COAST BOATYARD FOR SALE. comprising moorings for 38 vessels, with consent for 40, modern modern insulated factory, 8300 sq. ft. with space for expansion, modern centrally heated road and office accommodation, electrically operated slipway, excellent access. Principals only to apply. Write Box G.3578, Financial Times, 10, Cannon Street, EC4P 4BY.

HOLIDAY CARAVAN SITE. East Yorkshire Coast. Permission for 818 Caravans. Two Licensed Premises. Motor House, etc. Apply: BOOY SON & FLEURY 57 Tuford Road, London SW13 3QR. Tel: 01-222 5786.

ELECTRICAL CONTRACTORS. Turnover circa £3 million. Area South England middle. Price: assets plus nominal goodwill. Write Box G.3674, Financial Times, 10, Cannon Street, EC4P 4BY.

SPECIALISED SERVICE COMPANY in the pharmaceutical industry. Tax losses. Write Box G.3629, Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESSES WANTED

MOTOR TRADING COMPANIES. Public Company with large funds available wishes to purchase for cash or cash and shares substantial and successful motor trading companies holding major franchises. Management to remain if strictest confidence. Write Box G.3658, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED INJECTION MOULDING COMPANY. To be purchased as a going concern. Turnover between £500,000 and £2m. Principals only. Midlands/Humber side areas preferred. Write Box G.3672, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED PLANT HIRE COMPANY. A privately owned Plant Hire Company wish to acquire a business operating in the North London area. It should have good potential and be capable of approaching a turnover in the region of £2m. Write Box G.3608, Financial Times, 10, Cannon Street, EC4P 4BY.

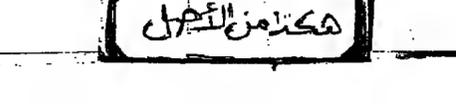
WE ARE A COMPANY with extensive outlets in the industrial and automotive hand held power tool market, who are interested in the acquisition of small/medium sized companies in related fields. They may be involved in other manufacture, wholesale or service of products. Please supply full details to Box G.3675, Financial Times, 10, Cannon Street, EC4P 4BY.

COMPANY WANTED. Company with Capital Gains by clients. Principals only. Tax losses circa £4m wanted. Tel: John Neighbour, 01-588 4443/4.

BUSINESSMAN HAS FUNDS FOR PURCHASE OF COMPANY. with pre-tax profits in range of £25,000-£100,000. Ideally in Yorkshire and management to remain. Write Box G.3680, Financial Times, 10, Cannon Street, EC4P 4BY.

BUSINESS MANAGEMENT COURSES

Marketing for Accountants and Financial Managers. This programme for accountants and financial managers with considerable involvements in marketing activities, aims to help participants identify and examine areas of decision making which may have involved particular friction with marketing colleagues in the past, for example pricing decisions, sales forecasting and performance. By analysing such situations candidates will acquire a more comprehensive understanding of such techniques as budgeting for marketing, profit planning through marketing research, and risk reduction approaches. The course is led by Professor Gordon Wills, director of several business organisations in engineering, communications and publishing, and Malcolm McDonald, Senior Teaching Fellow in International Marketing and former Marketing Director of Canada Dry UK. Programme dates (1 week) are 21-25 May, 1979. The cost £475 includes all fees, accommodation and materials. Enquiries to the Administrative Officer, Marketing for Accountants and Financial Managers (quoting ref. CS280). Cranfield School of Management. Cranfield Bedford MK43 0AL. England. Telephone Bedford (0234) 751122. Telex 825072.



Vertical text on the right edge of the page, including 'THE A', 'McC', 'MICHAEL', 'Why', 'Wort', '3 Year', '2 Year', 'N', 'Ro', 'The Bro'.

THE MARKETING SCENE

McCann: new powerhouse settles in

BY MICHAEL THOMPSON-NOEL



Mrs. Ann Burdus, only the second woman in the world to head a major advertising agency.

ANN BURDUS, the new chairman of McCann and Company, says there will be no disruption in the running of what is one of Europe's biggest advertising groups following her sudden promotion to the helm.

Nor does she expect her clients—who between them bill more than £70m via McCann in London—to be sidetracked by the fact that she is only the second woman in the world to hold the top job in a major agency. Her only counterpart is Mary Wells, founder of New York's Wells, Rich, Greene agency. "Our clients hired us for our expertise, not our glamour," Ms. Burdus said this week, hours after arriving from New York to hold her first Board meeting as chairman. (It was called at 9 a.m.)

Her predecessor, Nigel Grandfield, resigned late last Wednesday because of policy differences with the McCann parent, Interpublic, in New York. Mr. Grandfield has almost immediately become chairman of Saatchi and Saatchi International, a newly-formed subsidiary of

the Saatchi group, which is British-owned.

Saatchi and Saatchi International is intended to act as an autonomous, independent launching pad for the Saatchi group's growing international aspirations. Backed by the Compton International network, the new Saatchi subsidiary will handle international assignments for British and foreign clients.

As Mr. Grandfield, together with Ms. Burdus and the new McCann president in London, Barry Day, built McCann's London operation into a £70m business working for multi-national clients like Martin, Nestlé, Levi Strauss, Rothmans, Van den Berghs and Esso he is a major catch for Saatchi's.

Speaking from the neutral territory of Claridge's yesterday, he explained his abrupt departure from McCann: "I had been running accounts in a certain way—not successfully, I presume—and conflicts arose with our consins across the water. It has already proved a very refreshing change to get back to the real business of advertising

instead of being buried by the bureaucracy of a group like Interpublic.

"The Saatchis know how to offer the sort of incentives that get results. The Saatchi and McCann operations in London are directly comparable in terms of professionalism and approach. We talk the same language."

After her first Board meeting as chairman, Ms. Burdus said that the fact that she was a woman was only slightly interesting. "All right, it's nice. There were three women at the Board meeting and we exchanged smiles of approval. But the appointment is interesting for more important reasons. It's neither a sudden nor an outside appointment to the Board."

"There have been some changes during my absence, but we were restructuring for change. I'm fortunate to be inheriting a highly professional organisation, and look forward to handling its next stage of development." No wonder women journalists call her a charming powerhouse.

The Price Commission was the target for further criticism for its stance on advertising this week. The lesson may have been unnecessary

A baring of teeth

DR. DUNCAN REEKIE'S excellent report, Advertising and Price, sponsored by the Advertising Association, bound in plum covers and published on Tuesday, looks like accelerating out of the news as quickly as it accelerated in. This is not the author's fault. But considered in conjunction with another report published this week, JWT '78, bound in royal blue and published by J. Walter Thompson on Monday, Dr. Reekie's discussion of the relationship between advertising and price may fall on deaf ears, if only because the prime target of many of his criticisms, the Price Commission, appears to have been subdued. That is to say that over the past five months, the Commission has delivered none of the naive judgments on advertising and its effects that attracted so much abuse last year, writes Michael Thompson-Noel.

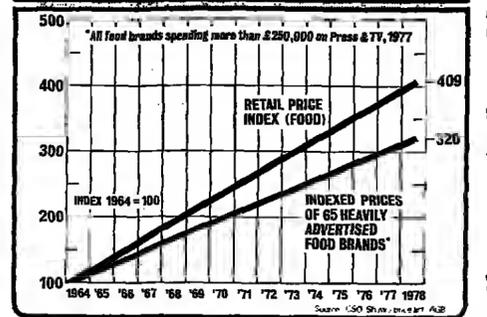
A specialist in business economics at Edinburgh University, Dr. Reekie has set out to contrast the views of those who on the one hand allege that advertising is a business cost outweighing any benefits of scale economies that might ensue as a result of increased consumption, and those who maintain the opposite: that advertising fosters entry—protected oligopolies and those who hold that, on the contrary, it is a means of market entry that stimulates innovation, advances competition and helps cut prices.

As the report is published by the Advertising Association, it does not require a genius to guess in which direction Dr. Reekie's findings point. With the help of case studies, he shows how advertising can "create" markets (domestic washing machines and dried milk powders), maintain markets (chocolate and sugar confectionery) and revive them (gramophone records). He also shows how his research suggests that advertising can both

facilitate market entry and encourage lower prices, or deter entry and encourage innovation, and demonstrates how advertising stimulates greater price competition at the level of the retailer. But it is in his concluding chapter that he bares his teeth. Having spent the best part of a year examining a whole series of

has issued no rash pronouncements on the art of the persuaders. Indeed, in J. Walter Thompson's review of 1978, Stephen King, in an expanded version of an earlier FT article, refers encouragingly to the Price Commission's report on Lever Brothers as a sign of rationality. "As we enter the new stop

PRICE INCREASES 1964-78



of Price Commission reports: he states categorically: "The evidence suggests... that the Price Commission are not fully aware of the true meaning of competition." What's more, he suggests that all Government price and advertising controls be removed.

"For economists, as for laymen, competition means rivalry, which means industry entry, potential or actual, and market share expansion, real or threatened." By now, I suspect, several plum-backed copies of Advertising and Price have been handed-delivered to the Price Commission. But there are many signs that the Commission has in any case drawn in its hooks on advertising. Since Christmas, it

Why 140 marketers redesigned the umbrella

LAIN MURRAY spends a day thinking laterally

PROBLEM: What were 140 top marketing people doing redesigning the umbrella, pondering the implications of square wheels, and drawing plans for a dog-exercising machine?

Answer: They were practising their lateral thinking under the tutelage of the technique's

garrulous inventor, Dr. Edward de Bono. Senior representatives of organisations such as ICI, Unilever, Cadbury Schweppes, F.W. Woolworth, Saatchi and Saatchi and J. Walter Thompson eagerly sat for a day at the feet of the guru, fervently

hoping that he might supply the key to new ideas, new wealth, new prospects of promotion, new means of corporate survival. There were even two managers from the Post Office who confided a pressing desire to look at things differently.

If nothing else, a Day with Edward de Bono, sponsored by Marketing Week, was a health-taking experience. Dr. de Bono spoke for 5½ hours and, during breaks for coffee, lunch and tea, could be found expatiating still.

Most of the time he was talking, he was also scribbling, and with the aid of a machine called an overhead projector, lateral thoughts were made to rise vertically before the bemused eyes of the audience: multi-coloured circles, arrows, hobs and squiggles, interspersed with the occasional word, passed ever upwards at bewildering speed.

Dr. de Bono explained that he created the term "lateral thinking" because his nearest equivalent, "creative thinking," inadequately expressed the concept. He was much gratified that the college had been recognised by the compilers of the Oxford Dictionary. "It's even in the Concise edition," he announced.

Lateral thinking is a process by which the skills of logic and judgment may be harnessed to creative invention. Dr. de Bono distinguishes between what he calls first and second stage thinking. Most of our cerebral activity is concentrated on the second stage, which involves the use of logic, whereas the first stage concerns perceptions.

Lateral thinkers try to generate bright ideas by inducing changes in their perceptions. To illustrate the point, Dr. de Bono invited his audience to draw designs for a dog-exercising machine. After the permitted amount of shuffling, cigarette lighting and head scratching, the marketers produced a variety of notions including conveyor belts, treadmills, and temptation devices, the latter usually incorporating the use of a bomb. But time, said Dr. de Bono, exhibited the ingenuity of a six-year-old child faced with the same problem. The infant had suggested that the dog be harnessed to a trolley bearing an accumulator battery from which projected a live lead. Every time the unfortunate animal stopped, it would receive an electric shock in its rump, spurring it to greater effort. Instead of thinking of ways

of making the dog exercise, the six-year-old had found a way of preventing it from stopping. And that was a lateral thought. The essence of producing a lateral thought, he says, is to jolt the brain into working outside its normal trammings. This is the stepping-stone technique, involving the use of what Dr. de Bono calls "po," or provocative operation.

To illustrate po in action, he explained how he had once been asked for his views on the problem of pollution caused by a riverside factory discharging its effluent into the water. "I used the provocative challenge that the factory should be downstream of itself," he said. "That form of stepping stone is what I call the intermediate impossible. How can a factory be downstream of itself?"

By far the easiest way of triggering off a lateral thought happens also to be the most gimmicky; but, says Dr. de Bono, it works surprisingly well. You use a word chosen at random as a stimulus to unconventional thought. Words can be found by opening a dictionary and sticking in a pin. Once when he was in Nigeria, said Dr. de Bono, he was presented with a problem concerning a shortage of teachers. There was little point in building training colleges because there were already too few teachers to go round, let alone staff new institutions.

Dr. de Bono's dictionary fell open at the word "tadpole." From that unpromising start he went on to think of tails, and

then tailing, and eventually produced the idea that each qualified teacher should be tailed, or constantly accompanied, by two trainees who would learn, like apprentices, on the job. That is now the way things are done in Nigeria.

No doubt the men from the Post Office, not to mention those from ICI and Unilever, were greatly encouraged to learn that the answers to their problems lay in the use of a pin. It would be just their luck if their pin landed on that new and puzzling entry, "lateral thinking."

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Mr. John Barrons, managing director of Westminster Press, told delegates: "One promotional body would offer one-stop shopping for facts, rates, schedules and any other services."

Mr. Barrons said that the regional Press should be working toward a data base, accessible by terminal, which would hold information about newspaper specifications, rates, market details, coverage and basic research. He estimated that display revenue coming to regional newspapers from outside their own circulation areas now topped £80m a year.

SATRA MOTORS, importers of the Lada car range from the USSR, is launching a £500,000 TV campaign next week, part of its 1979 marketing budget of £1.5m. The agency is Graham Poulter and Associates. Over the past four years, new Lada sales in Britain have grown from 5,701 in 1976 last year—slightly more than one per cent of the new car market. The new campaign includes Press advertising to support the 160 Lada dealerships.

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20

Optical illusions and others

BY ANTHONY HARRIS

ONE OF the most fashionable comments on the Conservative proposals in the present election is that their likely strategy for cutting the borrowing requirement by selling off State assets, is just an optical illusion. What is needed, say these critics, hammering the table is not a real print. The difficulty for financial people is to remember that like Plato's men in a cave, they live in a world of shadows. Real events are perceived only through their financial consequences, but the shadows can be very deceptive. For example, everyone in the City knows that the public sector borrows more and more nearly every year. It comes as a shock, then, to realise that in real terms, the national debt has been getting smaller and smaller, and has recently touched its lowest level since 1903. City observers swallow hard, mutter something about inflationary distortions, and go on grumbling about excessive borrowing. But if the borrowing is an illusion in real terms, then an illusionist may be able to suggest the best way to stop it.

The same

These perceptions are oddly patchy, too. Some of the fund managers who grumble about optical illusions in the public sector also sit on the boards of companies in the private sector. Occasionally these companies take advantage of market conditions to fund high-interest debt—debentures or bank loans—by issuing equity. Yet in essence the company is doing exactly the same as it is supposed the State should do—issuing equity in place of fixed interest debt. Indeed, the proposal is not even a novelty. It is not very long since a Labour Government sold a few hundred million of BP stock. There was a good deal of chat about optical illusions, but that did not prevent an *omnis mirabilis* for gilts. Money talks louder than analysis. Of course, there is an element of further illusion in this analogy. The State is not a company, and has one privilege which no company enjoys: it prints the money it tries to hog back. You could argue

Mr. Nelson Bunker Hunt's \$2bn case

MR. NELSON BUNKER HUNT this week announced that he will escalate up to \$2bn his claim against BP which has been dormant in a Dallas court since 1975. He may well have decided to press his claim in order to up a negotiating position from which he could achieve a settlement, wiping out an award of £17m which BP had obtained against him in the High Court in London. But the background of the Middle East wars and Libyan nationalisation of oil fields, the colourful personality of the Texan oilman, and the complex, professionally managed corporation with worldwide involvement, can all be warmly recommended to television script writers should they ever think of reviving the Mogul series.

Mr. Hunt, said to be one of the world's richest men, has his roots in Houston, Texas. Before embarking on his Libyan venture he had very little experience of oil business outside the U.S. In 1957 he acquired from the Libyan Government an oil concession in the Sarir field, in the heart of the Libyan desert. Mr. Hunt's resources were not sufficient to start drilling for oil within three years as required by the concession and in 1960 he called on BP to help. They concluded a so-called "farm-in" agreement under which a half-share in Mr. Hunt's concession was assigned to BP which undertook to explore and operate the oilfield including the

construction of a 300-mile (500 km) pipeline and a terminal near Tobruk. The agreement provided that Mr. Hunt should have a "free ride," that is that he should receive a share of any oil obtained from the field but would have no liability for the expense of the development if production fell short of expectations and did not recover the money spent on development. After initial disappointments, oil started to flow in 1967 when the Arab-Israeli war led to the closure of the Suez Canal for a number of years. That increased the value of the Libyan oil in the European market.

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

of Libya. But the jurisdictional issue was decided in BP's favour by Justice Kerr in October 1978. In the case of a frustrated contract—the present one was terminated by the nationalisation of the oil field—the 1943 Act gives the courts power to award a "just sum" to the party whose contractual performance before frustration provided the other party with a valuable benefit. It was on the basis of this provision that Mr. Justice Robert Goff awarded BP £17m to be paid by Mr. Hunt immediately without waiting for the results of the appeal, which he intends to make. Simultaneously with proceedings in the Appeal Court in

which lasted 57 days, Mr. Hunt's initial pleading alleged that BP had deliberately dragged its feet by seeking a claim that although BP had acted reasonably and had committed no breach of contract, better results could have been achieved by another operator acting reasonably. In the end Mr. Justice Goff concluded that doubt about the likely amount of extra oil recoverable, and the likelihood that investment would be made, rendered this particular counterclaim of Mr. Hunt's wholly irrelevant. Moreover, the agreement gave Mr. Hunt the right, if dissatisfied with BP's progress, to drill additional wells on his own account. But he had chosen not to take that risk.

The second counterclaim which Mr. Hunt made in the High Court, and now intends to pursue in Texas, rests on his assertion that the "bot" oil actions which BP took against those who retained oil from its concession oil fields, made it impossible for him to export and distribute oil on behalf of Arab Gulf Exploration Company, the Libyan state owned company which took possession of the BP assets. Mr. Hunt claims that as a result his relations with the Libyan Government deteriorated and his concession was sequestrated.

Mr. Justice Goff concluded that Mr. Hunt had looked after his own interests as best he could in the very difficult situation which had arisen, and by refusing to co-operate with the Libyan Government he was motivated by fear that BP might attach all cargo leaving Tobruk, including his own. He was aware of a legal obligation to his membership of the so-called "safety-net" agreement between oil majors, and he feared that if he did not honour his moral commitment to BP he might not be able to stay in the industry after his interest in this way, said the judge. Mr. Hunt laid himself open to no criticism; but there was also no evidence that his actions were in any way the result of any representations made by BP.

High Court, Queen's Bench Division, BP Exploration Company (Libya) Ltd v. Nelson Bunker Hunt, unreported.

Free fixture booklet for racegoers

RACEGOERS ON all southern courses are to receive free a racing fixture booklet in a promotional scheme by the Racecourse Association. The booklet, Plan Your Southern Race Days Now, will be available at the Easter meetings at Kempton Park, Newton Abbot and Plumpton.

RACING

BY DOMINIC WIGAN The 19 courses taking part in the scheme are: Ascot, Bath, Brighton, Chepstow, Dewey, Exeter, Epsom, Ffoskstone, Fontwell Park, Goodwood, Kempton Park, Lingfield Park, Newbury, Newton Abbot, Plumpton, Salisbury, Sandown Park, Taunton, Wincanton and Windsor. The booklet lists all the fixtures at Britain's other 41 courses from April until December. There is also a guide to entrance charges and a

feature on the benefits of group discounts. A growing number of companies, clubs and other organisations are taking advantage of big discounts on admission charges. The booklet says that the Racing Information Bureau, with address and telephone number, are included, giving details about individual courses. Two tracks looking forward to profitable meetings over the next few weeks are Chepstow and Lingfield. At Chepstow on Easter Monday the Irish hurdler Monksfield will be attempting to follow a championship success by winning the Walsh equivalent, Persian War. Buzar Comedy of Errors, Lanzarote and Night Nurse have won both races and Monksfield is a favourite for the £8,000 first prize. On Cup Final day next month Lingfield is to begin a race at 11 am in order to avoid a clash with the big match. Catering facilities and television will be

available for those wishing to stay on to watch the Cup Final after the Ladbroke Derby trial.

Delay to sailing

B AND I Line's 60m passenger terminal at Pembroke is not to open until May 22. The company's car ferry service will still operate from Swansea to Cork until May 1. There will be a reduced rate for sailings during this period. B and I will follow the published sailing schedule with few changes in arrival times. Passengers are advised to contact any B and I office or travel agent for full details.

ENTERTAINMENT GUIDE

Opera & Ballet, Theatres, Cinemas, and other entertainment listings for the week of April 12-18, 1979. Includes listings for Coliseum, Covent Garden, Sadler's Wells, Adelphi, and various theatres across the country.

Radio listings for various stations including BBC 1, BBC 2, and regional radio services. Includes program schedules and contact information.

Radio listings for stations such as Radio 1, Radio 2, Radio 3, and Radio 4. Includes program details and broadcast times.

Radio listings for stations like Radio 5, Radio 6, and Radio 7. Includes program information and broadcast schedules.

Art Galleries section listing various art exhibitions and galleries. Includes names of galleries, artists, and exhibition titles.

F.T. Crossword Puzzle No. 3946. Includes the crossword grid and a list of clues for both Across and Down directions.

Radio Wavelengths section providing technical details for various radio stations, including frequencies and signal strengths.

Radio listings for stations like Radio 8, Radio 9, and Radio 10. Includes program details and broadcast information.

THE ARTS

كلام من الجمل

Record Review

Bach Passions: ancient and modern

by NICHOLAS KENYON

Bach, St. Matthew Passion (sung in English), Robert Tear, John Shirley-Quirk, Felicity Lott, Alfreda Hodgson, Nell Jenkins, Stephen Roberts, The Bach Choir, Boys of St Paul's Cathedral Choir, Thames Chamber Orchestra/Sir David Willcocks, Decca D139D (4 discs). Sponsored by Sun Life Assurance, £17.50.

Bach, St. John Passion (sung in German), Heiner Hopfner, Nikolaus Hillebrand, Hans Georg Ahrens, Aldo Baldin, Regensburger Domspatzen, Collegium St. Emmeram/Hanns-Martin-Schneidt, Archiv 2565 108 (3 discs), £14.25.

On Good Friday this year, Bach's St. Matthew Passion is 250 years old—probably, 1729 has been traditionally accepted as the date of its first performance, but two years ago the musicologist Joshua Rifkin (better known for his advocacy of Scott Joplin) put forward a strong detailed case in the Musical Quarterly for believing that the work was first heard in 1727. Certainly this fits more convincingly into the pattern of Bach's activity in Leipzig as modern research has portrayed it: by the end of the 1720s his commitment to writing new music for the town churches was more or less dead, and he turned his attention to the secular activities of the Collegium Musicum and to the possibilities of employment in another German court.

However, to judge from a new book by that tireless promoter of the work in this country (always uncut, and in its original language), Paul Elkes—the case remains open. We can certainly celebrate the 150th anniversary of Mendelssohn's famous revival, and the Bach Choir's new recording under Sir David Willcocks is perhaps

more appropriate as a commemoration of 19th-century devotion to Bach than as either a radically new or faithfully old interpretation. The Bach Choir must have been singing this Passion for a hundred years, and the work it has done in introducing the music to generations of concert-goers (in its annual performances, now at the Festival Hall) cannot be underestimated. But this recording has the flavour of a ritual observance, rather than of music newly remade.

It is a measure of how far opinions in this country have developed that Willcocks feels it necessary to take a large part of his programme note to explain his departures from what he terms "the so-called 'authentic' type of performance". The argument is detached, but it leads inexorably to the conclusion that Might is Right. However, the recording supports that view only insofar as it departs from the traditionally large-scale manner of Bach performance familiar in this country.

And depart it does, often and interestingly. Willcocks takes great care to make his orchestral textures crisp and his choral textures light: the Thames Chamber Orchestra serves him very well, the Choir less so. For it cannot help dominating the sound from its sheer size as soon as it enters—the interplay of instruments and voices is quite lost in the choral numbers. Phrasing is good in "I would my Saviour's sacred passage work is well articulated, and chording is quite precise and sometimes even brittle. But the balance is totally awry, and the orchestra (even the obbligati in the solo numbers) is recorded too far back to make it an equal partner in the performance."

Where Bach's textures are already transparent, such as in

the spoggiatura-laden duet "Behold my Saviour now is taken," the results are very fine—but the choral interpolations here have the effect of a stereophonic cotton-wool storm. The soloists, with the honourable exceptions of Nell Jenkins and Stephen Roberts, are all too heavy. Felicity Lott and Alfreda Hodgson both sing with piercing intensity, straining not to let the legato tone relax for a moment. In too many of the solo numbers Willcocks lets the music slip into a steady tread which loses all life and breath. Robert Tear declaims the narrative as if it were opera, rising boldly to every supposed climax. John Shirley-Quirk is a cloudy, watery-eyed Christ.

What gives this recording its distinctive character, however, is the use of an English text. For those who want such a version, it may (in spite of reservations) be recommended. All the arguments in the world for intelligibility (and are the aria texts audible? And is the Passion text so unfamiliar to listeners?) cannot however convince me that this is the right decision. The Authorised Version and Troutbeck's sentimental Victorian aria texts do not explain Bach and Picander; they interpose a further cultural barrier between us and the 18th century, and remove a very particular expression of Lutheran pietism into the realms of generalised religious devotion. Which is the effect of the whole performance.

The Regensberg Cathedral Choir's version of the St. John Passion might have been designed to answer to every point Willcocks' points about authenticity. Only boys are used, a very small number, and old instruments. Hanns-Martin Schneidt's account (like his wonderfully cool Monteverdi Vespers also on Archiv) is restrained, but darkly intense.

As an "art product," this is doubtless inferior to Willcocks' St. Matthew, but it gets far nearer, to the character of the music as revealed by the notes on the page. How much more potently do the struggling boy soloists in the first alto aria and final sublime soprano aria "Zerheisse mein Herz" express the aspirations of the text, set against the clear woody sounds of oboes and flutes, than the smoothly confident English singers. Heiner Hopfner and Nikolaus Hillebrand narrate in a manner which is clearly a development of liturgical chant, rather than a restriction of 19th-century oratorio.

The sheer audibility of the music counts a great deal: here the Collegium St. Emmeram is balanced forward, and the cascades of flute scales and continuous violin figurations in the crucifixion choruses all tell in a way impossible with a large choir. Schneidt's subdued power makes these sections deeply impressive, yet they are not painted on too wild and large a canvas to prevent the simple chorales from sounding—as they should—like the beating heart of the work. Rallentandi are a little overdone, and some speeds at first sound strange; and I might have made a couple more retakes where rhythms slip out of true for a moment. But in all, a recording which shows us much of what Bach intended, in the timbres and colours and sounds which he would have heard.

As a bonus, the final side presents those movements which Bach included in his 1725 performance of the St. John Passion, including the great chorus "O Mensch bewein" which was transferred to the end of the St. Matthew. This is therefore a really complete version of the work. Challenging but quietly inspiring listening on Good (or any other) Friday.



Cambridge

Chicago by B. A. YOUNG

The impresarios' blindness over Chicago has paid a dividend, for Chicago now comes to the West End with the advantage of Peter Jaques's Sheffield production. It has had to be altered to fit the proscenium stage of the Cambridge instead of the open stage of the Crucible, and the cast is now twice as numerous as the Sheffield company, with consequent expansion of the routines; but it is fundamentally the same show, with the same principals. To my mind there hasn't been a musical in London for a long time that comes within a mile of it.

Chicago is based on an old satirical play by Maurine Dallas Watkins about justice in Cook County, Chicago, where, as one of the characters says, murder is a form of entertainment. A witty dramatic basis is not always the recipe for a good musical; the public did not take to *Bar Mitzvah Boy*, for instance (but I did). But Fred Ebb and Bob Fosse have converted the play into what is really a series of cabaret numbers. The songs are not, as they so often are, the signal for drama to stop. They actually contain the drama themselves. Roxie Hart's homicide, imprisonment, legal consultations, trial and private life are all presented in splendid routines choreographed by Gillian Gregory and costumed by Anne Sinclair, where the

story may be contained in the lyric but more often is contained simply in the action. This process serves not only to recount the tale, with its account of Roxie's absurd romantic evasion of justice, but to offer some pretty sour comments on the nature of that justice. Defence counsel Billy Flynn's principle, "You've got to razzle-dazzle them," trenchantly put over by Ben Cross with the aid of a chorus dressed for the circus, is not unknown even in our own courts.

Roxie Hart, portrayed by her lawyer until she turns from one of the Six Merry Widdowes in Cook County Jail into a Barbara Cartisod heroine, is

most persuasively played and sung by Antonia Ellis. Jerry Logan as her fellow-murderess Velma, from whom she steals all the best tricks, including the non-existent baby, the divorce, even the silver shoes with the rhinestone buckles, keeps her end up handsomely, and it is good to see that their sister act, after acquittal, is so able. The dancing, incidentally, looks better to me than it did at the Crucible, where the downward view deprives you of a back-ground. At the Cambridge there is a dark curtain upstage (under the orchestra balcony) against which the movement shows with more elegance.

Out of context the songs do

not amount to much, though there is one truly comic duet for Velma and the head wardress (Hope Jackman) called "Whatever happened to class" that is pretty good of its kind. It is their presentation that makes them count, with ideas like the ventriloquist act for lawyer and client. "We both reached for the gun, which is almost worth the price of the ticket on its own. All the singers are wired for sound, of course. I cannot stop without offering a word of praise for Philippa Boulter as the monoglot Greek murderer who hangs herself from the flies when her angle English phrase "Not guetly" proves inadequate razzle-dazzle.

The largest-ever Edinburgh Festival

The 1979 Edinburgh International Festival will be the largest and most novel in its 38-year history. It will include performers from 23 countries and present almost 200 shows. John Drummond, in his first year as Festival Director in succession to Peter Diamand, has deliberately set out to popularise this year's Festival which opens on August 19 and continues until September 8. In recent years it has gained a reputation, particularly among Edinburgh people, as a study and even unimaginative, concentrating heavily on opera.

Mr. Drummond, however, has concentrated more on ballet and dance than on opera as is shown in this year's programme in which there will be 21 ballet and dance performances compared with 16 opera performances. A number of new and original venues have been chosen. They include a "big top" in the Meadows to be called The Tent. This will house ballet performances by Sadler's Wells, the Royal Ballet and the National Ballet of Cuba.

There will be 15 symphony orchestras, 15 chamber music ensembles, 57 theatre performances, seven late-night shows, 14 recitals of poetry and reading, six lectures, two jazz concerts and something like 20 other events. The nine venues will include Edinburgh's first full-time concert hall since the Festival started, a former church which is to become the Queen's Hall and will be officially opened by the Queen in July. A distinctive Georgian building, it has been converted to an 800-seat concert hall at around £600,000 of which less than £75,000 has still to be raised.

Churchill, Bromley

Dandy Dick by MICHAEL COVENEY

The Churchill has a new artistic director, and Ian Watt-Smith has got off to a flying start with a robust production of Pinero's racy farce. This is the most popular of the three Court farces with which Pinero made his name in the 1890s and, even if the late, great, Alistair Sims cast a long shadow over today's revivals with his performances in the mid-1970s in two of them (*Dandy Dick* and *The Magistrate*), there is plenty in the gentle mockery of fustian Victorian manners, in the elegance of the language and in the casual artfulness of their construction, to amuse and edify.

Most Restoration comedy is more sympathetically attuned to the disposition of the contemporary theatre than is the work of Pinero, Jones or the forgotten Grundy. But, as Pinero consistently writes about people with status under both moral and economic pressure, he seems almost to spring free from the melodramatic and romantic conventions he, in the end, honours.

Even though the Dean's flirtatious daughters ensure their chaste husbands, even though his hersey sister, Georgiana Tidman ("the Daisy of the turf"), teams up with his old Oxford chum, Sir Tristram Mardon, the mechanics of the play are chiefly to do with how the clergyman, having succumbed to the temptation of backing Dandy Dick in order, hopefully, to finance the restoration of the church spire, extricates himself from a criminal charge when caught tampering with the horse on the eve of the race.



Madeleine Newbury and James Hayter

ally hilarious, but he does catch the Pinerotic rhythm with some success. When, for instance, the Dean is rescued on the hill by Georgiana's racing cronies and deposited, limbs akimbo, back at St. Marvells, Mr. Hayter can stop the show with his expert delivery of "I feel as though I have been carefully walked over by a large concourse of the lower orders." He waddles through the action like a dignified sea lion, making great sense

of his indifference to the girls' hussars, one of whom (beautifully played by Jeremy Child) has left most of his liver in India and is prone to slump from manic laughter into morbid silence for little apparent reason. The stolidly handsome designs are by Roger Beck, a cut above the work I have seen by him before at this address, and a strong supporting cast includes Madeleine Newbury and

Nicholas Smith as the co-owners of Dandy Dick, Shelley Borkum and Janina Faye as the Dean's daughters, Kate Williams as Hannah Topping, and Paul Humpoletz as the insanely jealous and had-tempered constable Noah, one of Pinero's happiest cameo creations. Mention must be made, too, of Leslie Saroney's weasel-like butler, dropping his atches and disapproval at the feet of all and sundry with inimitable acidity.

Guildhall, Londonderry

Aida by ELIZABETH FORBES

As the Northern Ireland Opera Trust is still without a Belfast theatre in which to perform—a situation which should be remedied next year when the Grand Opera House reopens for its 1979 season featured two concert performances each of two large-scale operas that the Trust could not normally afford to stage. The huge cast of singers, extras, dancers, not to mention animals, needed for *Aida* in the theatre can, on the concert platform, be reduced to six principals and a chorus. Verdi's music supplies the rest. For this reason the conductor of an operatic concert performance hears an even greater responsibility than usual for its success or failure.

At the Guildhall, Londonderry, where I heard the NIOT *Aida* (there was a second performance in the Ulster Hall, Belfast), Gabriele Bellini could be awarded a large share of credit for the way that Verdi's opera, sung in Italian, held a packed audience spell-bound, despite arctic weather conditions. Outside, snow-storms and torrential rain swept the country; inside, an African climste prevailed, helped by the Guildhall's splendidly warm acoustic. Maestro Bellini, who is on the staff of La Scala, Milan, drew idiomatic playing from the

Ulster Orchestra, though the brass was sometimes too heavy for the weight of string tone.

He also obtained confident singing from the NIO Chorus, a group not large enough for the Triumph scene. The more intimate scenes were both beautifully shaped and better balanced, while the entire Nile act, planned as one continuous movement, built up strong dramatic tension. The title role was sung by Mechtild Gessendorf, a soprano able to achieve, by purely vocal means, an identification with the character powerful enough to create its own compelling theatrical illusion. Her voice, vibrant and exceptionally even, easily dominated the big ensembles, and was equally effective in *Aida's* gentler music.

As Ramades, Kenneth Collins offered an extrovert reading, flooding the hall with opulent tone, declaiming the text intimately and, in the final scene, displaying real tenderness. Though Dianne Stafford should surely not be singing Amneris so early in her career, she flung herself heart and soul into the part, winning a sympathy that the Egyptian princess does not always arouse. The duet with *Aida* was nicely done but the judgment scene requires a force she cannot yet

command. Terence Sharpe was a reliable Amonasro, his singing always stylish as well as meaningful. Don Garrard sang with authority as Ramades and Phillip Summerscales made a positive King.

The second opera, which I heard in Ballymena, was *Der Fliegende Holländer*, another work that would be difficult for NIOT to stage. Despite the dry acoustic of the Antrim County Hall, Lionel Friend, who conducted, evoked the surge and splash of the sea that permeates Wagner's score with exhilarating, buoyant rhythms. The chorus tackled Wagner even more boldly than Verdi, spitting out the German consonants with praiseworthy aggressiveness.

The title role was firmly sung by Lawrence Shadur, whose dark-coloured voice gave the gloomy Dutchman both purpose and character.

Pauline Tinsley, secure and steady in Senta's Ballad, sang with appropriate exaltation in her long duet with the Dutchman. Arley Reece, who doubled the Steersman and Erik, was generous with open, lyrical tone in both roles and also displayed some subtlety of phrasing in Erik's account of his dream. Don Garrard lavished rather more nobility of utterance on Daland than the character strictly warrants, but it would be churlish to complain on that account. Joan Davies made an unusually good-humoured Mary.

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Thursday April 12 1979

French Left and Government both in disarray

By ROBERT MAUTHNER, in Paris.

Cautiously radical

THE CONSERVATIVE Manifesto is the one we have all been waiting for. The Conservatives, after all, have become the radical party.

In the event the Manifesto published yesterday is a mixture on a programme for a five-year Parliament and a general statement of philosophy.

Economic climate

The Manifesto is remarkable for the fact that, unlike that of the Labour Party, it sets no specific target for economic growth. What it offers instead is a change in the economic climate.

The second sign is the number of subjects that a Tory Government would place under review. The activities of the British National Oil Corporation and the working of the Monopolies Commission, the Office of Fair Trading and the Price Commission are among them.

Rhodesia There is also some cautiousness in the approach to trades unions. The reforms promised are not sweeping and were in any case largely to be expected, especially in the light of the industrial unrest last winter.

Now it is up to Uganda

TWO OF the Third World's most brutally oppressive Governments have been driven from their capitals by invading forces in recent months.

Enthusiasm There are, of course, major differences between the two events. Tanzania's action is not going to provoke the sort of retaliation that China unleashed against Vietnam, at the risk of serious international repercussions.

Frontiers That is no reason, however, for welcoming the manner of their downfall. The inviolability of frontiers is a principle of major world importance that has been endorsed both by East and West in Europe and by the African nations in the Organisation of African Unity.

ANYONE ARRIVING in France today would think that the country was in the midst of as fierce an election campaign as Britain.

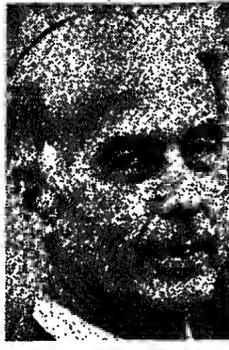
Yet the Government has not fallen and was not even remotely threatened by a census vote during the recent special session of the National Assembly.

What then is the cause of all the sound and fury and why are both the Government coalition and the Socialist and Communist opposition parties in disarray?

Discontent with the austerity policies of M. Raymond Barre, the Prime Minister, and particularly his steel restructuring plan, is only part of the answer. The steelworkers' mass demonstrations against the plan to suppress some 20,000 jobs in the steel industry certainly provided both the Socialist-Communist opposition and the Gaullists, reluctant members of President Giscard's coalition, with a stick to beat the Government.

Bolder There are other areas, such as constitutional reform and Northern Ireland, where the Tory Manifesto is not vastly different from that of the Labour Party, and it cannot be said that reform of the political institutions has been given a very high priority.

For M. Chirac to abandon the Government now by taking his party into opposition could well mean committing political



President Giscard — firmly ensconced in spite of all the political sound and fury.



Mr. Mitterrand (left)—the challenge from Mr. Rocard has severely impaired party unity just before the European elections.



Mr. Chirac—stepping up the guerrilla tactics against President Giscard.



Mr. Rocard—stepping up the guerrilla tactics against President Giscard.

suicide. If he were to join the Socialists and Communists in overthrowing the Government in a parliamentary vote, a substantial section of the conservative electorate would not forgive him.

On the other hand, the party's long-term survival and M. Chirac's own standing as a leading politician depend on establishing a separate and well-defined personality. If the Gaullists become too closely identified with President Giscard and his policies, they will also risk being swamped by the centrists, and M. Chirac's chances of beating M. Giscard in the next presidential election would be jeopardised.

Dilemma for Mr. Chirac

The dilemma facing M. Chirac has been made worse by the immensity of the elections to the European Parliament, which every political party in France looks upon as a test of its domestic popularity.

For many months now M. Chirac has appealed to the chauvinists in every Frenchman by accusing the President of failing to obtain from his Common Market partners guarantees of French national independence after the European elections.

ments were required that the powers of the European Parliament would not be extended after its direct election, M. Chirac said.

What started with a limited campaign against the President's European policies has recently escalated to what many French observers consider to be a point of no return.

The European elections have thus been transformed by the Gaullist leader almost into a domestic poll. Their outcome will therefore be doubly significant as far as France is concerned.

Whichever way he decides, it will become increasingly difficult for the Gaullist leader to maintain his present schizothronic line. Many of his own supporters are already impatient that he has not taken his opposition to the Government to its logical conclusion.

even if he does chalk up a good score in the European election. The Gaullists, though they have opposed M. Barre's policies of economic restraint, are unlikely to be the main beneficiaries of a general election, as the results of the recent local elections have shown.

The internal quarrels of the Left, which lost the Socialists and Communists the last general election in March 1978, have apparently not alienated at least Socialist voters from their party.

Though local election results are not necessarily a reliable pointer to the outcome of a general election, they are at least an indication of which way the wind is blowing.

For the moment, the policy of the party leader, M. Francois Mitterrand, who is firmly committed to a continuation of the

Union of the Left and a sweeping nationalisation programme, has won the day—but only just. For the first time since the congress of Epinay in 1971, when he took over the leadership of a completely renovated Socialist Party pledged to co-operation with the Communists, M. Mitterrand failed to win the backing of a majority of the party.

M. Mitterrand's main rival in the party is the 46-year-old M. Michael Rocard, whose strong support for a mixed market economy, regional devolution and workers' control contrast sharply with the party leader's insistence on state control of large sectors of the economy and centralised planning.

But so fundamental a realignment of French political alliances is necessarily a long-term possibility only. Whatever the President's aspirations in this field, an emphasis on the need for a fundamental modification of Communist policies before a new pact is concluded.

The shadow over Mr. Mitterrand

The clash between M. Mitterrand and M. Rocard has been going on for a long time. But what really undermined the party leader's authority was that M. Rocard had been joined in opposition by M. Mitterrand's former chief lieutenant, M. Pierre Mauroy, who put all the blame for the failure to reach a policy compromise on M. Mitterrand.

day, could well become the head of the party. The net result of the Metz congress is that the Socialist Party will be going into the European elections with its unity greatly impaired, though there is no question of a formal split into two separate groups.

The Metz congress has done nothing to clarify the problems of who will be the party's candidate in the presidential elections of 1981. Had M. Mitterrand won a clear victory at the congress, there would have been little doubt about the candidate's identity.

This must all be gird to M. Chirac's mind, since his chances of going into a second round run-off against M. Giscard d'Estaing in the next presidential election would undoubtedly be increased if M. Mitterrand did not present himself.

Inevitably, too, the basic policy differences within the Socialist Party and the rising fortunes of M. Rocard have revived speculation that, one day, President Giscard may lead a dream of ditching the Gaullists and forming a centre-left coalition.

But so fundamental a realignment of French political alliances is necessarily a long-term possibility only. Whatever the President's aspirations in this field, an emphasis on the need for a fundamental modification of Communist policies before a new pact is concluded.

What happens after the presidential election in two years' time, if President Giscard is re-elected and if M. Rocard eventually should win the power struggle within the Socialist Party, is another matter. Before then, France can expect a lot of fireworks from the mercurial M. Chirac, which could easily upset a number of apple carts.

MEN AND MATTERS

Enriching the workplace

After six years of trying to humanise BL production lines, Oliver Tyman, faces a more serene interval as director of that obscure section of the Department of Employment known as the Work Research Unit.

Tyman, 51, who has been seconded to the unit for two or three years, tells me he does not like the usual term "job enrichment" with which the unit is concerned.

But if Whitehall does present the opportunity to look at his field with more detachment, Tyman makes it clear that he faces some sizeable odds in persuading industry at large to take more interest in what has no name: "Most of the protagonists are engaged," he admits.

Rival wings



"Nothing personal, your Majesty, but if we let you in we've got to let that Amin guy in as well."

Action Group was celebrating yesterday. Formed six months ago as a protest against the standards of British Airways services from London, the group told me on the telephone it is "quite delighted" that Dan-Air has just said it will apply to the Civil Aviation Authority for permission to operate between Aberdeen and Gatwick.

Although British Airways is certain to oppose the proposal, and this will mean a public inquiry, Dan-Air hopes to start serving Aberdeen in November.

Group members, backed up by a public relations firm, are certainly powerful enough to create some turbulence; they include BP, Occidental, Mobil, Union Oil, a representative of Aberdeen Chamber of Commerce, even a professor from Aberdeen University.

castle. "We think some similar rivalry can only benefit Aberdeen," says the action group—which is currently complaining of high prices, crowded planes and unpunctuality.

Wet wonders

If ever a computer system deserves to succeed it is Talisman, the Stock Exchange-run During the days leading up to system for clearing equities.

On Friday fire broke out in the basement of the Wilson Street offices among rolls of computer tape. Several gallons of water later, everything was under control again.

On Sunday morning the heavens opened, and blocked drains sent water pouring down on to the electrical equipment.

Now the controllers are waiting for the third plague, of frogs perhaps? Or maybe the shades of the Roman gods—on whose temple the computer centre stands—will make a guest appearance.

Zambezi arms

Rhodesia's spate of air attacks on neighbouring Zambia in the past two days have been conducted by British Canberra bombers supplied to the old Central African Federation, 20 years ago.

However, it is not an exclusive encounter, because—according to Ian Smith—the Russians have moved in some

senior officers to help Joshua Nkomo's guerrillas, the target of the air raids.

The attacks certainly mock Zambia's sovereignty. But more than that, yesterday's pre-dawn attack was on camps north of Lusaka at Mulungushi—a place with almost mystical significance for Kaunda.

For the moment, the policy of the party leader, M. Francois Mitterrand, who is firmly committed to a continuation of the

Price of promises

Is it a portent? The Tory manifesto has done its bit against inflation, in the most direct fashion—by going up only 2 1/2 to 15p since the last General Election in October, 1974.

The Labour Party has kept pace with the results of its period in power, by putting up the price of its manifesto 100 per cent to 20p.

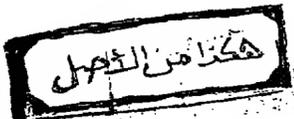
The nostalgic may care to know that in 1945 the Conservative manifesto was one old-style penny, and Clem Attlee's clarion call was 2d.

Sense of history

Another triumph for American know-how: a firm in Cohasset, Massachusetts, is advertising "Assemble Your Own Antiques."

Advertisement for Famous Grouse Scotch Whisky. The exception that could prove to be your rule. Quality in an age of change.

Vertical text on the right edge of the page, partially cut off.



Lifting the fog round EEC finances

ONLY FALSE friends of the European Community will want to try to play down or disguise the absurdities of the Community budget and the Common Agricultural Policy. Even those who want to get at the truth are often bemused by the obfuscation, jargon and complexity that surrounds both the administration and the statistics of the system.

We therefore owe a debt to Wynne Godley's Cambridge Economic Policy Group for elucidating the logic of it all. When the group's annual policy review appeared a couple of weeks ago, its analysis of the EEC budget was overshadowed by its controversial proposals for worldwide import controls. Yet the analysis of the EEC budget stands in its own right and is in no way dependent on any of the other characteristic Cambridge doctrines. It deserves far more attention than it has so far received.

There are some preliminary difficulties arising from the transitional arrangements to shield Britain from the net budgetary impact if the CAP which are due to come to an end in 1980. The Cambridge Economic Policy Review takes as its starting point estimates presented last November by the Economic Policy Committee of the EEC. They are based on what would have happened in 1977 if the transitional arrangements had not been in force. But Mr. Godley and his colleagues regard them for that reason as a rough estimate of what the actual 1980 position is likely to be—and indeed is not too bad an approximation to 1979. In the case of the UK, the Cambridge estimate corresponds closely to the net budgetary contribution of £780m shown in January for 1979 in the British Govern-

NET CASH RECEIPTS AND PAYMENTS BETWEEN EEC MEMBERS

	Net budget receipt	Net trade receipt	Total net cash receipt
UK	-206	-317	-1,123
Germany	+570	+101	+671
Italy	+114	+532	+646
Belgium-Lux.	+312	+154	+466
Ireland	+254	+221	+475
Holland	+190	+441	+631
Denmark	+529	+289	+818
France	+114	+620	+734

Source: Cambridge Econ. Policy Review, April 1979. Published Gover Press

ment's Public Expenditure White Paper. This, however, is only part of the total cost. It is the part which the Policy Review entitles "net budgetary receipts" (or cost). This depends simply on what each country pays into the EEC budget and what it receives back—and makes up the first column of the larger table.

Net receipts

But there are also the net trade receipts (or costs) from agriculture. These are the costs incurred by member countries which import food from other members, because of the CAP, at higher than world prices. They also cover the benefits received by member states from being able to sell farm produce to other members at above world prices. The Policy Review has tried to calculate on a commodity-by-commodity and country-by-country basis these net trade receipts and costs; and the results are shown in the second column.

Italy, for instance, is estimated to be paying £500m in extra farm trade costs over the exchanges—even more than the UK—through having to purchase food at artificially high

prices. France, not surprisingly, has the greatest trade gain from being able to sell to fellow members at CAP prices. Obviously, there is a degree of estimation involved in calculating net trade receipts or losses. But the Cambridge authors have most decidedly not made the mistake of assuming that British importers for instance buy what they like from non-EEC suppliers at current world market prices. While adequate supplies of beef and grain are believed to be available, it is assumed that any attempt to buy up non-Community sugar, butter and cheese in world markets would bid up the supply price to roughly twice present international levels.

Thus the total cash receipts or gains of each country shown in the third column of the large table, is the sum of the budgetary and trade effects. The UK pays £800m to the Community budget and a further £300m across the exchanges for dearer food, making the total cash and foreign exchange drain over £1.1bn. France, on the other hand, gains over £100m from the budget and over £600m in net agricultural trade receipts, giving a total receipt

of over £700m. Belgium (with Luxembourg) gains over £300m in the budgetary swings but loses over £150m in the trade roundabouts, ending up with a net receipt of about £150m.

The important logical point highlighted by the Policy Review is that the agricultural trade effects and the budgetary effects must be considered together. It does not make sense to consider the Budget and agriculture as separate problems to be dealt with by different politicians and officials sitting to different committees.

It is easy to show why this is so. Imagine, for instance, two member countries in all respects identical except that the one exports its agricultural surplus to non-Community countries and the other exports an identical surplus to fellow Community members. They would both obtain the same receipts. But the first country would secure all its benefits in the form of a budgetary subsidy to cover the difference between realised and CAP prices, while the second would benefit from a higher level of direct sales proceeds through being able to charge CAP prices to its Community trading partners. A benefit and loss calculation confined to the budgetary side would quite falsely show the second country in a much inferior position.

This apparently obtuse point has an important practical application. The so-called "green currencies" are not currencies at all but simply ways of insulating farm prices from the effects of exchange rate changes. The instruments used are the monetary Compensatory Allowances ("MCAs"). These are subsidies to ensure that the food import price paid by a country, such as the UK whose currency has

depreciated a great deal since it joined the EEC, should be a good deal less (measured in a common currency) than the price received by the agricultural exporter in a country with an appreciating currency such as Germany.

It is helpful to take a purely hypothetical case and suppose that the price paid by the British consumer for German butter is 80 per cent of the price received by the German farmer. It makes no difference if this result is achieved by making the British importer pay the full CAP price and then giving him a subsidy, or by subsidising the German farmer directly so that he can sell at below the CAP price. The net result for the German farmer, the British consumer and for payments across the exchanges is the same.

Unconvincing

Yet the Brussels Commission has found itself publishing two sets of estimates, one on the assumption that the MCAs are a subsidy to the exporting country and the other on the assumption that they benefit

the importer. The latter purports to show that the UK is not doing so badly after all. Without undue patriotism one can say that it is pretty unconvincing special pleading.

The whole problem disappears under a framework such as that shown by the larger table in which both budgetary and trade receipts (or payments) are taken together. At present the MCA is paid to the exporting country. Under the pre-1978 system it was paid to the importer. If the old system were now in force, the UK's budgetary payments to the EEC would have been less, but its trade outgoings on farm account would have been higher. The so-called alternative calculation, insisted upon by some of the agricultural exporting countries, simply looks at the budgetary position in isolation from the trading side and achieves an appropriately ludicrous result.

The smaller table attempts to show the gains and losses of different countries in perspective. The UK is the biggest loser both in terms of total payment and in terms of payments per head. But considerations of population size make a big difference to the ranking of the gainers. France, which receives the largest absolute amount gains only £14 per head of population. On the other hand the country with the largest gains per head is Ireland, with £158, followed by Denmark with £124. These are respectively the poorest and richest members of the Community. The UK is also a relatively poor country now, with mean income of 69 per cent of the EEC average; and this adds to the grievances of being a financial loser.

How important is this net

payment to the EEC? A sum of £1.1bn sounds a great deal; £20 per head sounds much less. As an approximate guide, it is equivalent to the cost of cutting the basic rate of income tax by 3p without any changes in the allowances or bands. So the sum is not negligible and has to be set against the limited impact which all past Government policies, to improve economic performance have had in the past.

Moreover, there is a danger of the pattern of transfers becoming worse. If MCAs were abolished so that the "green" exchange rate became identical with the market rate, the UK's net cash payment would rise to perhaps £1.3bn. Still worse there would be a 20 to 30 per cent increase in the wholesale price of foodstuffs subject to EEC levies. Even a compromise under which exporting countries moved to the German price level and importers faced no price increases, would widen existing differentials between losers and gainers.

The Cambridge writers go on to work out multiplier effects on output and employment in the losing countries on the assumption that demand is held back by balance of payments constraints. One does not have to follow them here. The sums are large enough without multipliers. Moreover an approach based on the balance of payments would not be helpful for the UK, as other countries would be able to point to Britain's advantage from North Sea oil. It is best to stick to total cash payments and relate them to national produce per head. The Cambridge writers have in some ways played down the costs of the CAP because they do not attempt to measure efficiency losses — not shown through payments over the ex-

changes—from CAP distortions. Quite the wrong way to reform would be to attempt to increase other community budgetary spending to benefit non-agricultural countries. The effect would be a kind of inverse gearing. There is no close relationship between present budgetary and agricultural losses and the likely effect of an increase in, for example, regional aid. It would not, for instance, be a very good bargain for the UK to pay an extra £1bn to the Community to receive back say, £1.3bn in regional funds. If the £1bn were simply a way of financing existing UK Government spending, there might be something to be said for it. But this is not the way international bureaucracies work; a lot of it would be a net addition to public spending, with the EEC looking around for even more industrial support projects over and above those already financed from London — with incidentally, the regional policy and the competition policy of the Community getting in each other's way.

Way out

The best way out is to bold down Common Agricultural prices as much as possible and to move to a system in which national governments support their farmers to a greater extent from their own national budgets as with the old UK deficiency payments. But pending such far-reaching reform a cash return from the winners to the losers (which could take the form of an offset to existing levy), and customs payments to Brussels) would be quite a good stop gap.

Samuel Brittan

Free enterprise economy

From Professor D. Myddelton. Sir—I don't know why David Freud, in his interesting article on "underground economies" (April 9), should find it difficult to regard illegal transactions as contributing to welfare and output. Surely the normal presumption is, that a voluntary exchange is expected to benefit both parties to it. Whether or not the exchange is legal is an entirely different question.

I find it difficult to regard government spending as contributing to welfare and output as much as it costs, though it is legitimate to suggest what average discount would be appropriate. No doubt much of it is "legal"; but, being mainly financed either by taxes or by inflation, government spending can hardly be called "voluntary".

Perhaps it should be emphasised that the "black economy" (which I prefer to call the "free economy") is free not only of taxes but also of the overbearing bureaucracy which threatens to destroy the productive sector. I hope Sir William Pile will pay urgent attention to the problem so graphically described by my colleague John Constable (April 4) concerning the Inland Revenue's proliferation of stationery.

D. R. Myddelton. Cranfield School of Management, Cranfield, Bedford.

Distorted by moonlight

From the Parliamentary Office, National Federation of Self-Employed and Small Businesses. Sir—David Freud (April 9) is right to state that there has been "remarkably little research" into "underground economies". He falls, however, to establish three vital points. The full-time self-employed person is more easily identified and investigated by the Revenue than the amateur who is moonlighting. This leads to an imbalance in the evidence available and results in a distorted

Letters to the Editor

picture of the self-employed. The self-employed person who evades tax is guilty of just one of the crimes of the moonlighter is often guilty of theft, namely theft of his employer's materials and in some cases time.

The moonlighter often provides, for want of a better phrase, "unfair competition" to the full-time self-employed trader. The latter is probably registered for VAT, is wide open to investigation by the Revenue and has all sorts of overheads imposed either by statute or by the very fact that he is in business full time. On the other hand the moonlighting employee, using his employer's materials, often in his employer's time, with no overheads, no statutory costs and no intention of declaring a single penny, can radically undercut the full-time small business. While we welcome competition in general, we find competition of this nature rather galling, especially when viewed against a background of VAT, raids and in-depth tax investigations.

John Blundell. Press and Parliamentary Office, 52 Shaftesbury Avenue, W.1.

Investment in steel

From Dr. J. M. Kay. Sir—Mr. Pepper (April 10) is quite correct in stating that plasma steelmaking is at best only in the laboratory stage and offers no immediate solution to the problems facing the British steel industry. He makes the mistake, however, of implying that the well-established electric arc furnace process can only operate with a scrap charge and that, because of the limited availability of scrap, there is therefore no alternative to the traditional coke oven/blast furnace/hot metal converter route for the production of tonnage steels.

In fact there is now a complete alternative technology available for the competitive production of "bulk steel" products on a medium-tonnage scale. The past decade has seen the successful establishment of the direct reduction process for the production of sponge iron, and the development of the electric arc furnace to use a high proportion of sponge iron in the charge for the production of good quality tonnage steels. Improvements in the technique of continuous casting, together with recent developments in rolling-mill technology, fit conveniently together into this picture to strengthen the economic case for the medium-tonnage alternative with a typical unit throughput capacity of around 1m tonnes per year.

With the rapid escalation of capital costs for large conventional hot metal plants, and with their lack of flexibility under varying operating conditions, steelmakers in many countries are becoming disenchanted with the claims advanced for the "economies of scale." Actual operating experience in Europe with recently constructed 14 metre blast furnaces has not been particularly encouraging. The Redcar plant may well come to be viewed in retrospect as a dinosaur-type development doomed to extinction by its excessive size and cost and its lack of adaptability to changing market requirements. (Dr.) J. M. Kay. Church Farm, St. Briavels, Nr. Lydney, Glos.

Attracting industry

From Mr. A. Mackenzie. Sir—The announcement (April 5) that Scotland has lost the £40m microelectronic plant to the Irish Republic illustrates why Scotland needs self-government. With a Government dedicated to promoting industrial development, Ireland achieves an industrial growth rate two to three times that of the UK. The Irish Development Agency has full autonomy and can offer a comprehensive package involving growth towards fixed assets, development costs, training and loans and equity participation. And of

much city traffic could be fuelled in this way, especially in areas where such as Ireland, somebody is sure to ask "where will Scotland find the money to compete with Ireland's assistance schemes?"

The answer ought to be that this is exactly the use to which one of Scotland's resources, "North Sea oil," should be put. Tax revenues from oil will soon be running at £1bn per year but the resource is being squandered on financing the EEC, on paying huge interest rates to foreign Gilt buyers for financing the Government's massive borrowings, and on repaying past loans necessitated by improvident Government expenditures. The trouble is that the Scots have grown so used to London lunacy that they no longer protest. Hopefully this Mostek case may make them think again, and resolve to take control over their own affairs. Alastair Mackenzie, 23a Rutland Square, Edinburgh.

course low tax rates. The Isle of Man too has been successful in attracting new companies, in various technological fields, with high added-value content. In Scotland, by contrast, the Scottish Development Agency is working with one hand tied behind its back. While it can offer equity and loan packages, it is the London-controlled Department of Trade and Industry which deals with investment grants.

Why did Mostek executives have to visit London to see DIT civil servants? And how can the DIT justify refusing to give the company the usual 20 per cent grants on the first phase of the project, on the grounds that it could not be considered as manufacturing? Investment in research and development facilities is a major part of any innovative manufacturing operation. Was the real reason that the National Enterprise Board didn't want a competitor to its brain-child, DVAIOS?

Eire and the Isle of Man show that "small is beautiful," that Governments can encourage industrial growth by the right kinds of flexible assistance organised through agencies which communicate easily and make quick decisions. If we seek to challenge countries such as Ireland, somebody is sure to ask "where will Scotland find the money to compete with Ireland's assistance schemes?"

The answer ought to be that this is exactly the use to which one of Scotland's resources, "North Sea oil," should be put. Tax revenues from oil will soon be running at £1bn per year but the resource is being squandered on financing the EEC, on paying huge interest rates to foreign Gilt buyers for financing the Government's massive borrowings, and on repaying past loans necessitated by improvident Government expenditures. The trouble is that the Scots have grown so used to London lunacy that they no longer protest. Hopefully this Mostek case may make them think again, and resolve to take control over their own affairs. Alastair Mackenzie, 23a Rutland Square, Edinburgh.

GENERAL

UK: Mr. James Callaghan visits Oxford; addresses party meeting in Cinderford, Gloucestershire. Railway workers' pay talks resume, London. Construction workers' pay talks resume at the National Federation of Building Trades Employers, London. Confederation of Engineering and Shipbuilding Unions meet, Imperial Hotel, London. Sir Derek Ezra, National Coal Board chairman, speaks on problems of efficiency in industry

Today's Events

at National Materials Handling Centre lunch, London. Sir Kenneth Cork, Lord Mayor of London, takes salute at passing-out parade of the Army Catering Corps Apprentices College, Aldershot. Rt. Rev. Gerald Ellison, Bishop of London, preaches Maundy Thursday sermon at St. Lawrence Jewry next Guildhall, 1.15. Overseas: Der Spiegel publishes interview with UK

Ministers on attitudes to European Economic Community. COMPANY RESULTS. Final dividends: Automotive Products, Beauford Group, Berwick Timpo, Bowthorpe Holdings, Brown and Jackson, Carpats International, Coral Leisure Group, Green's Economiser Group, New London Properties. Oil Exploration (Holdings), Richards and Wallington Industries.

COMPANY MEETINGS

Adam and Gibbon, 63-63 Westmoreland Road, Newcastle-upon-Tyne, 11. J. H. Braine, Ingham Street, Hunslet, Leeds, 3.15. Bridgewater Estates, Midland Hotel, Macclesfield, 12.15. General Funds Investment Trust, Regis House, King William Street, EC, 12.30. St. Andrew Trust, 29 Charlotte Square, Edinburgh, 12.30. LUNCHTIME MUSIC, London Organ recital by Professor Gordon Phillips at All Hallows-by-the-Tower, at 12.15 and 1.15.



The Chapel.

Where a classic sherry comes to light.

Why one sherry develops a different character from another is a subject as shrouded in mystery today as it has ever been. We know how it happens. Certain of the young wines develop a yeast on the surface—called flor—while others don't. This is what differentiates the finos and amontillados from the olorosos. Even the inexperienced eye can appreciate this. But it takes the eye of a true master-craftsman to tell which of the young wines will develop the subtlety and delicacy of a classic fino and which will mature with the extra nuttiness of a classic amontillado. With the aid of the pure, flickering light from a candle, this fine distinction is made. As it has been for generations to select the classic finos and amontillados to come. The classic fino is very pale in colour and very dry to taste with a subtly delicate bouquet. Luncheon Dry is just such a fino. Serve it chilled to appreciate fully its true character. The classic amontillado is allowed to mature for longer in the cask, taking on a richer colour and a subtle nutty flavour. Such is the character of Club Amontillado.

Luncheon Dry & Club Amontillado. Two classic styles of sherry from Harveys of Bristol.

UK COMPANY NEWS

Hawker Siddeley sales and profits well ahead

SALES UP from £912m to £1.01bn and pre-tax profits of £118m compared with £103.7m, are reported by the Hawker Siddeley Group for 1978. First-half profits had risen some £10.2m to £56.6m.

Sales and profit for 1977 included £83m and £8.7m respectively for four months from former UK aerospace subsidiaries prior to nationalisation. Earnings per 25p share are shown at 26.6p against 26.1p and the final dividend is 2.4575p lifting the total from 4.1192p to 4.5267p.

An analysis of sales and trading profit (in £m) shows electrical engineering contributed £482 (£396) and £38 (£26.2); mechanical engineering, £407 (£317) and £53.2 (£41.6) and Hawker Canada £168 (£178) and £14.5 (£13.2). The 1977 figures exclude the former aerospace offshoots.

There is also an extraordinary profit of 27.4m for the year being a net surplus of £33.5m arising from the excess of the compensation over book value of shares in the former aerospace companies and an exchange loss of 27m.

The results also show the effect on attributable profits—£32.3m—of SSAP 15 and inflation accounting. On the deferred tax basis, attributable profit is increased to £70.9m and inflation adjusted, the figure is £39.6m.

At December 31, net cash in hand of the group amounted to £133.2m (£98.9m).

1978	1977
£m	£m
Sales	1,007
Trading profit	105.7
Interest receivable	5.5
Profit before tax	111.2
Income tax	5.5
Profit after tax	105.7
Dividends	2.5
Retained	103.2

Mr. Max Lewinson, leader of the dissenting shareholders, appealed for calm as they went saying: "We don't want a bun fight here." He and three of his colleagues who had been proposed as replacement directors of the company two weeks ago, then took the seats on the podium, placed name cards in front of themselves and proceeded to conduct a meeting of their own.

Mr. Lewinson told shareholders that the men who had just left had doubtless been advised that they were the law-

HIGHLIGHTS

Lex looks at the result of the latest gilt edged tender issue, which has led in allotment above the minimum price, and considers the position of the stock market in the light of the Conservative manifesto and latest developments on the currency front. Yesterday was also a busy day for company news. Comment is made on Hawker Siddeley's rather strong performance but stagnant profits trend, and W. H. Smith disappointed the market with unchanged profits and the price fell 2 1/2p despite the jump in the dividend payout. Babcock and Wilcox profits are up 23 per cent despite further provisions against losses at Hardstock. Lex also looks at the Take-over Panel's conclusions on Rockwell's market buying of Wilmot Breedon. Elsewhere the insurance scene is represented by full-year figures from Guardian Royal Exchange and Eagle Star, while insurance broker Matthew Wrightson produces figures in line with expectations. Empire Stores' profits are a little short of market hopes and Glynwed's profits are up 23 per cent. UDS Group makes a sizeable property revaluation and Bellway reveals details of its plan to split into two.

W. H. Smith net earnings jump

WITH A £566,000 improvement in taxable profit in the final four months W. H. Smith and Son (Holdings) was able to hold the surplus for the 53 weeks to February 3, 1979, at £20.2m.

Retail sales by the distributor of newspapers, books, stationery, etc. were up 23 per cent and wholesale sales were 15.9 per cent better leaving total group turnover higher at £474.1m against 393.8m for the previous 52 weeks.

Allowable capital expenditure and stock appreciation relief meant an abnormally low tax charge of £2.35m (£3.19m) leaving stated earnings per 50p share up 7p at 21.1p before, or up 6.3p at 20.4p after extra ordinary items.

There was a £561,000 extraordinary loss this time on the company's withdrawal from Sims, a joint retail venture in Holland

with Elsevier Publishing Co. Treasury consent has been given for a net total dividend effectively increased from 2.2016p to 3.133p by a final of 2.34p on 50p "A" ordinary.

After a slow start the Christmas trading period proved satisfactory but fell short of expectations. News sales, as for the wholesaling of newspapers, periodicals and magazines were hit by supply difficulties. Sales lost through industrial unrest exceeded £5m.

1978-79	1977-78
53 wks.	52 wks.
£000	£000
Sales	474,131
Surplus prop. sales	780
Surplus redemption	13
Depreciation	4,841
To pension fund	1,437
Trading profit	19,877
Share assoc. income	341
Net interest	324
Pre-tax profit	20,752
Taxation	2,345
Net profit	17,845
Attributable	17,274
Obsolescence stock	10
Incl. in threshold properties	561
	11,977
	11,724

(nil) on threshold properties. See Lex

Babcock advances 23% after overseas boost

TAXABLE profits of Babcock and Wilcox, the engineering and contracting combine, jumped 23 per cent from £92.3m to £113.8m in 1978. Turnover rose 18 per cent from £684.7m to £777.7m.

Sir John King, the chairman, says the growth of the group's business was entirely in overseas markets, the result of increased exports by UK companies and improved activity by overseas subsidiaries.

Exports which totalled £153m against £82m, accounted for 39 per cent (24 per cent) of the combined turnover of the UK companies. Taking the total of exports and sales by overseas companies, 69 per cent, compared with 61 per cent, of group turnover was in markets abroad.

But the strength of sterling reduced group turnover by £15.3m and taxable profits by £1.5m. The figures include £9.9m (£2.01m) profit from an investment sale, and £9.9m (£3.92m) of 'previous year's' profits.

On prospect Sir John says provided there is no deterioration in world economic conditions he forecasts a successful year.

He adds that a strong performance by Acco Industries, formerly American Chain and Cable Company, enabled the group to make a relatively good start to the current year despite the UK lorry drivers' strike and the bad weather.

The group started 1979 with completed orders in hand of £878m, compared with £642m at the beginning of 1978. The value of orders booked last year jumped 35 per cent to a record £1.04bn.

Sir John says the results were achieved against what was in many respects the worst business climate of recent years. The UK economy remained weak and turnover in the home market fell. There was also an increasing incidence of industrial unrest as the year progressed.

Overseas, with the notable exception of North America, sluggish conditions continued. The chairman points out that

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding for year	Total last year
Adwest	3.9	—	38.09	17.97
Armitage Bros.	2.97	—	—	16.09
Babcock and Wilcox	2.83	June 9	2.89	5.86
Bradwall (F.M.S.) Int.	1.7	June 9	1.7	1.7
Christmas	3.25	May 30	2.27	4.5
Clark Nicholls	1.21	July 23	1.07	2.19
Croda Ltd.	1.351	June 14	1.19	2.43
Eagle Star	3.5	June 18	3.13	6.84
Empire Stores	2.91	June 13	2.6	5.39
J. England Sons	1.02	—	1.06	1.42
Ferry Pickering Int.	1.38	May 18	1.25	2.94
General & Comm. Inv.	4.27	May 29	3.82	6.87
Glynwed	6.7	July 7	5.78	12.7
Guardian Royal	6.94	June 7	5.93	11.6
Hawker Siddeley	2.46	July 5	2.2	4.56
Hurace Cory	0.38	May 23	0.34	0.78
Kalamazoo	1.11	May 21	0.93	2.04
Lead Inds.	4.93	July 2	4.37	8.23
Lee Refrigeration	1.85	June 2	1.64	2.9
Matthews Wright	7.46	July 2	5.97	11.06
Stanley Miller	0.7	May 31	0.75	1.2
Norris and Blakey	2.83	—	2.36	4.11
N. Atlantic Secs. Int.	1.2	May 29	1.2	2.1
Owen Owen	2.5	June 15	2.24	3.19
Portals	4.94	July 2	4.38	8.79
Sanderson Kayser	2.91	July 2	2.91	4.38
W. H. Smith	2.341	July 9	1.49	3.13
Taylor Hulsther	3	June 1	2.98	4.5
Walker and Homer Int.	Nil	—	0.45	0.9

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issues. † Total of 11p expected. ‡ Includes 0.0075p for tax charge. † On capital increased by scrip and share split in November 1977.

Because of the group's international bias the directors are proposing to change the company's name to Babcock International.

In January this year the company reduced its investment in CTF Babcock Fives from 21 to 4.4 per cent. The £8m profit from the sale will be treated as an extraordinary item in the current year.

A final dividend of 2.9131p net per 25p lifts the total from 3.22p to 5.82p. The dividend is covered four times (4.3) and stated earnings per share are ahead from 22.5p to 25.3p.

1978	1977
£000	£000
Turnover	777,770
Trading profit	113,800
Invest. & other inc.	1,933
Interest payable	5,916
Share of associates	3,529
Profit before tax	106,387
Tax	22,776
Profit after tax	83,611
Minorities	144
Exchange losses	2,697
Profit attributable to shareholders	80,810
Attributable	21,974
Ord. dividends	1,151
Reserves	18,228

static—a factor attributed to the weather conditions in December and January but pre-tax profits rose by £700,000 to £1.7m. Demand for houses is said to be firm at present but the Board will not commit itself to an estimate for the whole year.

comment: Bellway's interim performance is solid rather than impressive. Half the improvement has come from property sales while housing sales have been hit by four continuous months of bad weather so the full year performance can only be flat. But market interest is bound to be focused less on these fundamentals than on the opening price of the two new companies, if the scheme is approved, and the opportunity these could provide for takeovers. The housing company, for instance, has a considerable land bank at a time when many builders are pinched for land for new estates. The property company has a clean, low-gear portfolio already producing rent reviews and with a well-funded forward development programme. Still that is a gamble. The market is meanwhile digesting the documents and the shares rose only 4p to 110p yesterday.

Uproar at St. Piran meeting

BY JAMES BARTHOLOMEW

Shareholders reacted angrily yesterday when Mr. Henry Hodding, chairman of Saint Piran, closed the EGM immediately after reconvening it yesterday, refused to answer any questions and left the room.

One shareholder called out: "This is a disgrace" and another: "You can't blame us for drawing our own conclusions."

Mr. Max Lewinson, leader of the dissenting shareholders, appealed for calm as they went saying: "We don't want a bun fight here." He and three of his colleagues who had been proposed as replacement directors of the company two weeks ago, then took the seats on the podium, placed name cards in front of themselves and proceeded to conduct a meeting of their own.

Mr. Lewinson told shareholders that the men who had just left had doubtless been advised that they were the law-

ful directors of the company. But he and his colleagues had also been advised that they were the lawful directors. This could cause difficulties in giving instructions to such people as banks and auditors he said. That was why he had served writs on Mr. Hodding and his colleagues at the beginning of the half-minute meeting.

The writ asked for interim relief to the form of an order so that the company could be run by independent receivers and managers until the question of who were the rightful directors was resolved by the court. The doubt arises out of the fact that Mr. Lewinson has challenged the validity of proxy votes cast at the EGM. If these votes were discounted then the motions to remove the existing Board would have been carried.

A spokesman for Barclays Nominees asked for the reservations about the poll expressed by

the company's auditors to be read out at the meeting. A Turquand, Barton and Mayhew representative read out a passage from his report in which the accountants said they could not express an opinion as to the validity of certain votes.

Barclays Nominees also asked whether the attention of the Stock Exchange or the Take-over Panel had been drawn to the poll. Mr. Lewinson replied that he believed both bodies were investigating the matter.

Mr. Lewinson asked the company's registrar if he had copies of the proxies with him. The registrar replied that the question should be addressed to the board.

"How do you know which is the board?" said Lewinson. He said he believed the registrar did have the proxies with him and could they be shown? The registrar said: "I am afraid I must leave the meeting," and departed.

Baird sells off Dawson stake

William Baird has raised £13.8m from the sale of its 23.5 per cent holding in Dawson International to a number of institutions.

According to Baird, past tax losses arising from the closure of mining operations in Sierra Leone in 1975 meant that the capital gains tax payable is unlikely to exceed £1m.

The sale marks the end of a long association between Dawson and Baird. It follows Baird's unsuccessful bid, late last year, to acquire the whole of Dawson's capital.

YEN LOANS

Alliance Investment has arranged a new six-month loan of ¥250m with Manufacturers Hanover Trust, and Foreign and Colonial Investment Trust has arranged ¥1.1bn with Williams and Glyn's Bank.

The story so far...

IT ALL started in 1878 when James Bibby, at the age of 66, formed a partnership with his sons, Joseph and James, to run a warehouse that traded in flour and farm feeds. New ideas were the order of the day and they branched out into farm supplies which involved seed crushing to produce vegetable oils and cake, which in turn led to oil refining and the manufacture of cooking fats and oils. As a by-product of seed crushing, Bibby got into the high quality specialised paper industry. Then, having a country background, the growth in pig and poultry products was a natural. The company now supplies Industry and the High Street as well as the Countryside.

and now...

J. BIBBY & SONS LIMITED, 1978

It was another good year. Trading surplus was at a record of £8,400,000 which compares well with the previous year's figure of £6,174,000 and the forecast of £7,500,000 made at the half year.

Because of this, a final dividend of 6.7320p has been recommended on the Ordinary shares, making a total of

9.7320p for the year. This is covered 7.95 times by 1978 earnings of 77.37p per share. Dividends for Ordinary shareholders in 1977 came to 6.5985p per share.

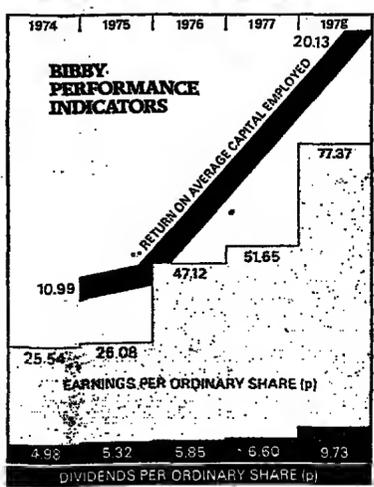
The company now has a new two-pronged corporate structure with Mr Geoffrey Thompson as Managing Director of the Industrial Group and Mr Peter Wood as Managing Director of the Agricultural Group. Both groups had record trading surpluses.

"This high level of trading has helped to cut our short-term borrowings for the fifth year running", says Mr Leslie Young who became Chairman of the Company at the beginning of 1979. "And this, of course, cuts our bank interest charges."

"The transport strike in January of this year and the difficult EEC agricultural negotiations in February did nothing to help our cause", he says, "but we still expect a modest improvement in trading surplus during the coming year".



Mr Leslie Young Bibby's new Chairman



Croda results 1978

Summarised group results (unaudited)	1978	1977	Earnings per 10p share	
	£000	£000	1978	1977
External sales	234,130	226,572	10.76	8.95
Trading profit	16,270	14,892	9.67	8.01
Profit before tax	15,117	13,037	Total dividends per share 2.428288 2.152645	
Earnings for ordinary shareholders	10,857	8,760		

Chairmen Sir Frederick Wood comments: Trading in the last quarter of 1978 was at a disappointing level, so that total sales over the year only slightly exceeded last year's. Nevertheless we succeeded in obtaining a small but satisfactory increase in our margins.

The picture for 1979 is obscure. Results for the first quarter, with the haulage strike and the effects of the extremely difficult weather

Organic chemicals; hydrocarbon products; gelatin; ecdulants; food ingredients; edible end processed vegetable oils; honey; graphic supplies; printing inks; industrial and marine finishes; adhesives; soaps.

United Kingdom America Australia Austria Brazil Canada France Germany Holland India Ireland Italy Japan Mexico New Zealand South Africa Spain.



Copies of Report and Accounts available on and after 17 May 1979 from The Secretary, Croda Chemicals Ltd., North Harrogate, Wetherby, Yorkshire LS20 9AA.

BIBBY to be continued...

Copies of the report and accounts may be obtained from The Secretary, J. Bibby & Sons Limited, Richmond House, 1 Rumford Place, Liverpool L3 9QQ

£3m increase for Glynwed

FROM increased turnover of £316.44m against £285.44m, profits before tax of Glynwed increased from £13.08m to £16.08m in 1978.

With midway profits showing a rise from £8.1m to £8.46m, the directors said profits for the second six months should be at least equal to those of the first half.

Basic earnings per share are shown at 17.81p against 13.95p and 17.88p (13.6p) fully diluted. The final dividend is 6.7p raising the year's total from 8.2p to 9.15p.

The group makes engineering and building products and trades as steel stockholders and distributors.

£0.6m leap at Clarke Nickolls

WITH second-half profits jumping from £30,250 to £1,001,878, Clarke Nickolls and Coombs turned in a record taxable surplus of £1.18m in 1978, against £515,895 previously.

After tax of £423,782 (£290,876), earnings per 25p share of this property investment and development concern are shown to have risen from 4.82p to 14.87p.

The net total dividend is stepped up from 1.960p to 2.1897p, with a 1.505p final attributable profit came through at £712,020 compared with £284,255.

Insurance figures lift Matthews Wrightson

INSURANCE profits up by £2m enabled Matthews Wrightson Holdings to finish 1978 with record taxable profits of £10.93m against a previous £8.25m, a rise of 33 per cent. Turnover was up from £52.7m to £57.6m.

At half-way profits had advanced from £3.3m to £4.72m. Mr. Gordon Henry, chairman, says that over-capacity in world insurance markets end the consequent reduction of premium rates creates a more difficult environment in 1979. In the longer term, however, the group's position in North America gives directors considerable opportunities.

On the shipping side, Galbraith's shipbroking profit was down slightly from £1.47m to £1.18m and the chairman says that the group's interests in this field must continue to be affected by the difficult conditions in the world shipping market.

Earnings at the year end are shown as 30.37p per 20p share compared with 19.7p, before extraordinary items, and 28.28p (18.61p) after the same. The dividend is stepped up to 11.056p (9.1882p) net with a final of 7.4897p—Treasury consent has been obtained.

Losses accruing to this company on the three oil tankers subchartered to the partnership of Norwegian shipowners amounted to £549,000. The vessels which were laid up for most of 1978 are now chartered by the partnership on terms which are more favourable than layup, Mr. Henry says.

At the AGM in June the directors propose to change the group's name to Stewart Wrightson Holdings.

comment

The market has been pinning its hopes on at least £17m last year but, after the long Ford strike and disruption at the Wednesbury tube operation last autumn which cut profits by around £13m, Glynwed's improvement of only 23 per cent may not be quite so disappointing as it seems. Loss elimination in Vogue bathtubs and the parts of Cashmore sold to British Steel Corporation were probably worth around £2m in aggregate last year and a further £500,000 may come through in 1979 as Glynwed reduces its

thrown up some unexpected expenses. With double running costs, this motor for investment has probably been responsible for slowing growth in recent years but the benefits should now start coming through. At 230p the shares are on a p/e of over 16, while the yield is 3.6 per cent—a rating which anticipates further growth.

Lec falls in second six months

A SECOND half fall from £773,459 to £566,180 left taxable profits of Lec Refrigeration behind at £1.56m for 1978 against a previous £1.64m. Turnover was little changed for the year at £26.85m compared with £26.7m.

After tax of £786,041 (£836,666) earnings are shown to be just down at 12.82p (12.91p) per 25p share. The dividend is stepped up from 2.5942p to 2.8968p net with a final of 1.9452p.

There was an extraordinary debit for the year of £115,000 relating to the estimated losses incurred following the cessation of production at the group's Londonderry, Northern Ireland, factory in September 1978.

After this and dividends, net of waivers, £148,137 (£123,624), retained profits came through at £513,932 against £657,196.

Empire Stores well ahead and confident

AS expected, both sales and profits of Empire Stores (Retail) showed increases in the year ended January 27, 1979 and the directors say satisfactory progress has continued during the first months of the current year.

Sales (excluding VAT) increased from £93.24m to £109.23m and profits, before tax, were £8.11m against £6.59m.

Stated earnings per 25p share are 13.97p compared with 12.74p. The final dividend is 2.90847p lifting the total from 4.86464p to 7.77311p.

Directors are also proposing to increase the authorised share capital from £5m to £10m and make a one-for-five scrip issue.

Empire's underlying sales growth of 18 per cent for 1978-79 is much in line with the average for the mail order sector but just short of Freeman's figures for the same period. The 18 per cent profit rise is slightly short of market expectations however. Part of this is due to the severe January weather but Empire is also only just coming to the end of its programme to computerise accounting procedures for its 350,000 agents and this has

thrown up some unexpected expenses. With double running costs, this motor for investment has probably been responsible for slowing growth in recent years but the benefits should now start coming through. At 230p the shares are on a p/e of over 16, while the yield is 3.6 per cent—a rating which anticipates further growth.

Adwest Group profit up £0.3m in first half

INCREASED first half profits are reported by the Adwest Group of engineers and with order input ahead of last year, the directors expect a further improvement in profits for the year to June 30, 1979.

Profits in the first half rose from £1.96m to £2.26m after interest of £61,000 (£62,000) but before tax of £1.18m against £1.02m and minorities of £36,000 (£27,000).

The interim dividend is lifted from 3.5p to 3.85p and the board expects to pay a final of 7.15p to make 11p for the year—the previous total was 10p pre-tax profits of £6.7m.

The directors say that Burman and Sons and Anciens Sbab Hensert & Bowen SA, acquired last July, each contributed to the improved result which was achieved despite significant industrial relations problems affecting customers.

Initial contributions from two acquisitions added in around £80,000 of Adwest's £294,000 increase in interim pre-tax profits. The general engineering division which makes, amongst other things, circulating pumps for central heating units, put in a good performance. The next largest division in terms of sales, the automotive sector, was hit slightly by the Ford strike but it sells to all UK manu-

Bibby dividend policy

Mr. Leslie Young, chairman of J. Bibby and Sons, said yesterday that if dividend controls were removed, his company would contemplate raising its dividend to bring its dividend cover more in line with the industrial average.

Bibby's 1978 dividend was covered 7.95 times, compared with an average cover among industrial companies of 3 to 3½ times.

Mr. Young said Bibby hopes to make up the £700,000 lost during the transport strike by the end of the first half, while for the whole of 1979 the group is looking for an advance on last year's record pre-tax profit figure of £8.4m.

Christies growth is 35%

FOLLOWING the 40 per cent increase to £2.68m in the first half, profits before tax of Christies International rose 35 per cent to £5.83m in 1978. Turnover was up from £14.9m to £20.1m.

Profit is after crediting exchange profits of £949,000 (£63,800) net and charging £250,000 (£225,000) additional pension and contributions. Last year there were also £100,000 leasehold improvements.

Earnings per share are shown at 14.25p (10.46p) and the final dividend is 3.25p lifting the total from 3.985p to 7.49p.

£804,000 (£537,000), sale of graphics £732,000 (£407,000) and sales of print £2.45m (£2.3m).

The directors say the results reflect the success of the New York saleroom and to some extent the curbing of inflation. The international art market is firm and several major sales are planned for London, New York and Geneva—thus the outlook for the first half of the current year is good, the directors say.

Turnover 20,100 14,893
Profit before tax 5,832 4,777
Tax 2,674 2,018
New profit 2,853 2,153
Extraord. debits 78
Dividends 1,922 1,672
Retained 1,825 1,480

Year 1978 1977
1978 1977
Turnover 20,100 14,893
Profit before tax 5,832 4,777
Tax 2,674 2,018
New profit 2,853 2,153
Extraord. debits 78
Dividends 1,922 1,672
Retained 1,825 1,480



W. H. Smith & Son (Holdings) Limited. Results 1978/79.

	1978/79 £ Million	1977/78 £ Million
Sales	474.1	393.8
Profit before tax	20.2	20.2
Taxation	2.4	8.2
Profit after tax	17.3	12.0
Extraordinary item — loss	0.5	—
Net profit	17.3	12.0
Per 50p share		
Earnings	21.1p	14.1p
Dividends	3.133p	2.1995p
Asset value	102.7p	85.4p

The Chairman, Mr P. W. Bennett, says:

- * The results have been adversely affected by the abnormal disruption of supplies due to industrial unrest particularly of newspapers, periodicals and magazines.
- * We are recommending a larger than usual increase in dividend with Treasury consent. Dividends have been under some form of restraint for 12 out of the past 15 years and have fallen well behind prices and earnings.

For copies of our Annual Report and Accounts, and the Special Report that is given to our staff, please write to the Company Secretary at Strand House, 10 New Fetter Lane, London EC4A 1AD on or after 8th May 1979.

Armitage Bros. profit rise

FOR the year 1978, profits of Armitage Brothers rose from £441,000 to £578,000, the interest charge having been reduced from £80,000 to £37,000.

After tax of £142,000 (£30,000), the net profit came out at £436,000, against £411,000, for stated earnings of 109p (103p) per £1 share. The net dividend is stepped up from 18.09p to 17.97p.

The company makes pet foods.

"We search the world for top quality goods, so our buying team needs the maximum financial security and convenience. The American Express Company Card Plan proved ideal."



Michael Place, Managing Director, Grattan Warehouses.

There is hardly a country in the world which the merchandise buyers of Grattan Warehouses haven't visited in their unending search on behalf of their famous mail order catalogue.

Their constant aim is to improve the merchandise available to their three million customers through the Grattan Catalogue. Their brief is to achieve goods of top quality and top value, no matter where they travel to find them.

Their problem when travelling is how to meet expenses in a way which is not only totally acceptable and convenient worldwide, but gives security to their buyers.

Back in July 1974, Grattan Warehouses decided to try out the American Express Company Card Plan, with an initial Cardmembership of fourteen. It proved to be the ideal answer.

The experiment was a huge success

Armed with the American Express Company Card, executives found they could confidently handle most travel and entertainment problems, no matter how large the bills, without having to carry unnecessarily large sums of vulnerable cash.

Back home, cash advances and conversion costs were greatly reduced—so Grattan Warehouses decided to increase their holding of American Express Company Cards. Today, the company has over 80 senior executives and key buyers, protected by the international flexibility and security of the Card, while the results in the accounts department have matched those in the buying department.

Simple expense administration

The unbeatable flexibility and security of the American Express Company Card is further enhanced by other tangible benefits to your company.



These include: simplification of expense administration for company and executive alike; an exclusive choice of billing arrangements; and the facility to settle monthly charges with a single sterling cheque—no matter where, or in what currency, the original transaction was made.

The American Express Company Card Plan is already helping many companies and their executives—over a thousand of Britain's leading companies are using the Plan—and it can surely help your company just as well.

For more specific information, please write to: The Manager, Company Cards, American Express Company, PO Box 68, Edward Street, Brighton, E. Sussex BN2 1YL.

American Express Cards for Companies

To: The Manager, Company Cards, American Express Company Card Division, P.O. Box 68, Edward Street, Brighton BN2 1YL, E. Sussex.

Please send me details of Company Card Plans for:

- Small/medium Companies. (Less than 10 executives regularly incurring travel or entertainment expenses).
- Medium/large Companies. (More than 10 executives regularly incurring travel or entertainment expenses).

Name Mr/Mrs/Ms/Miss _____

Position _____

Company Name and Address _____

GFIA
Incorporated with limited liability in the U.S.A.
J. S. Quantley, Resident Vice President.

Guardian Royal Exchange Assurance

Results for 1978

Subject to audit the results of Guardian Royal Exchange Assurance Limited for the year ended 31st December, 1978 are as follows:

	1978	1977
£m	£m	£m
Investment Income	77.1	65.3
Less Interest Payable	6.7	6.4
	70.4	58.9
Underwriting Results		
Short-term (Fire, Accident and Marine)	4.8	(6.6)
Long-term	8.1	6.5
	12.9	(0.1)
Profit before taxation	83.3	58.8
Less taxation	40.9	28.4
Profit for year after taxation	42.4	30.4
Less Preference dividend and Minority Interests	1.1	1.9
Profit for year after taxation available to Ordinary shareholders	41.3	28.5
Ordinary Dividends		
Interim 4.6585p per share	5.9	5.3
Proposed Final 6.9415p per share	8.7	7.6
Total 11.6p per share (1977: 10.2553p)	14.6	12.9
Profit transferred to Retained Profits	£26.7m	£15.6m
Earnings per Ordinary share (after taxation)	32.9p	22.7p

Results by Territories (before Taxation)

	1978			1977		
	Net Premiums	Underwriting	Investment Income	Net Premiums	Underwriting	Investment Income
Australia	25.1	1.2	3.7	23.1	3.7	3.4
Canada	47.3	0.8	4.6	59.1	(0.4)	4.4
Germany	131.3	(8.6)	14.1	119.3	(5.7)	12.0
U.S.A.	16.6	1.2	2.7	15.6	0.3	2.1
U.K.*	239.7	5.4	45.3	209.2	(2.6)	37.0
Miscellaneous**	159.7	4.8	70.4	165.2	2.1	37.0
	619.7	4.8	70.4	591.5	(6.6)	58.9

* Includes Marine and Overseas risks written in the United Kingdom
** Includes Reinsurance and Republic of Ireland

The above results which are the best reported by the Group, have been achieved despite adverse exchange movements in many territories which, on balance, have depressed both premium growth and profits. The effect of exchange is to reduce premiums by approximately £5.0m and pre-tax profits by almost £4.0m. We also felt the effects of losing from the 1978 consolidation our profitable Nigerian business which in 1977 contributed short-term premium of £15m resulting in £3.8m of short-term underwriting profit to Profit & Loss account and, after taxation and minority interests, over £1m in consolidated profits.

Investment income has developed well and the short-term underwriting account shows a very satisfactory turn-around. Two special features, however, affect the amount of the long-term profits. On the recommendation of the Actuary, the board declared a special bonus at 31st December 1978 on certain Guardian policies thereby vesting a part of the terminal bonuses previously allowed and, in consequence, the long-term profits include a non-recurring item of

£1.9m. On the other hand, following disposal of the majority interest in our South African life operations there is no contribution from this source against £1.2m in 1977. However we now have short-term revenue transfers of £1.3m from that country.

Dividend

The Directors recommend the payment of a final dividend which, with the interim payment made in January 1979, will constitute an increase of 13.1% compared with the dividend paid in respect of the year 1977 (including the supplementary payment in January 1979). As the dividend recommended will increase the total distribution for the year by more than 10%, Treasury consent is required and this cannot be obtained until audit of the accounts has been completed.

If approved at the Annual General Meeting to be held on 6th June, 1979 a payment at the rate of 6.9415p per share (gross equivalent 10.3604p) in respect of the final dividend will be made on 7th June to holders of Ordinary shares whose names appear on the register at 27th April, 1979, making with the interim payment in January last, a total of 11.6p (1977: 10.2553p) per share (gross equivalent 17.3134p; 1977: 15.4022p).

The Annual Report and Accounts will be posted to shareholders on 9th May, 1979.



Royal Exchange, London EC3V 3LS

"One of the world's great insurance companies"

UK COMPANY NEWS

Companies and Markets

Overhead setback at Braithwaite

PRELIMINARY figures of Braithwaite and Co. Engineers indicate profits for the year to March 31 1979 in excess of last year's £1m. But the directors say these have been eroded by the under-recovery of overheads at the West Bromwich works. They add that trading profit is unlikely to be more than was indicated in December. Pre-tax profits for the first six months were down from £484,351 to £317,548 and directors then anticipated that second half profits would be similar to the first. The directors have decided that the West Bromwich works of Braithwaite and Co. Structural should cease production when existing contracts are completed. They say a serious under-recovery of overhead expenses is absorbing profits from the group's other activities. Accounts for the full year will include an extraordinary item covering the estimated costs. Other factors have contributed to this setback, they add. The directors are sure the group will be able to revert to a pattern of growing profitability.

Owen Owen reaches £2.95m

A DOWNTURN in second-half profits from £3m to £2.74m left Owen Owen, departmental store operator, with a pre-tax surplus of £2.95m for the year ended January 27, 1979, compared with £2.42m last time. Sales advanced from £86.72m to £102.46m. In Canada, although sales in starting terms were 2.3 per cent higher, profits decreased by 17.5 per cent. This reflects the further deterioration in the Canadian dollar exchange rate and the impact on profitability of recently opened stores which are still in the development stage.

Sales in the UK stores increased by 18.5 per cent and profits by nearly 22.5 per cent. Levels of consumer spending in the second half fell below expectations in the early months, while January trading was particularly affected by national industrial disputes and severe weather. The shopping and contract furnishing subsidiary substantially increased profits from £67,000 to around £260,000. Results of Suters have been consolidated from its date of acquisition last June. Stated earnings per 25p share rose from 10.62p to 13.53p, before extraordinary items. The dividend (total) is stepped up to 3.1908p (2.8913p) net, with a final of 2.9008p.

Attributable profits were up nearly £1m to £1.92m, struck after a tax charge of £1.56m (£1.31m) including a full provision of £473,000 (£145,000) for deferred tax, minorities £181,000 (£172,000), and £717,000 extraordinary credits this time.

Extraordinary items comprise profits less losses on disposal of UK stores and the settlement of a Canadian expropriation claim.

Kalamazoo leaps 64% midterm

AN UNPRECEDENTED 64 per cent jump in taxable profit from £1.27m to £2.09m was achieved by Kalamazoo Group in the 27 weeks to February 2, 1979. Normally the business and office systems company performs better in the second half than the first.

The result is before charging the Kalamazoo Workers Alliance bonus. External sales were up at £120.8m, against £91m for the 28 weeks to February 27, 1978, and margins were better at 17.2 per cent, compared with 12.8 per cent.

Before depreciation of £646,000 (£588,000) operating profit was 49 per cent higher at £2.73m.

The group's computer systems and services division contributed 25 per cent of profits. The directors now say that the company is on target and that this trend continues the second half should come close to last year's level. This would indicate growth from the 1977-78 full-time record of £3.72m to around £4.5m.

The net interim dividend is stepped up to 1.11p (0.925p) per 100 share and ends £204,555 (£186,480). Last time a 1.237p final was paid.

The KWA bonus is not calculated until after the year end.

John Finlan recovers to £180.150

A strong second-half lead to a recovery to 1975 profit levels at John Finlan, and the directors anticipate further improvement. For 1978 the net pre-tax profit of £180,150 compared with a £92,105 loss previously. At half-way, profits were lower at £20,866, against £26,063. Turnover for the year rose from £1.27m to £2.73m.

The directors expect current year profits to exceed those of 1975. They add that although results justify consideration of a dividend, it is thought prudent not to make a payment. In view of the current workload and performance, the directors will consider a dividend for 1979—no payment has been made since 1973.

There was a tax charge for the year of £66,124 (£40,015 relief). Earnings per 10p share are given as 3.13p compared with a 1.74p loss last time. The group designs and constructs industrial and commercial buildings and develops industrial land.

Portals 10% rise: sees continued progress

TAXABLE PROFITS of Portals Holdings, liquid and water treatment engineer and security paper maker, rose 10 per cent in 1978, from £8.68m to £9.57m. Turnover, excluding inter-company sales, increased 7 per cent to £52.94m.

The directors believe that, despite the difficulties experienced in many markets — particularly the Middle East and Africa — progress in sales and profits will continue.

After tax for the year of £3.01m (£4.55m), basic earnings per 25p share are shown to have risen 4 per cent from 24.21p to 25.19p. The directors explain that this increase was restricted by the wider capital base after loan stock conversion.

Net asset value rose from 145p to 158p. The 30 per cent increase arises partly from the triennial property valuation which has shown a £6m surplus, some 35p per share, the directors say.

The total dividend is stepped up to 1.27p from 1.11p, with a 4.94405p final. The total includes 0.09763p in respect of the previous year arising from the tax charge.

The extraordinary debit of £1.5m (£0.22m), includes a goodwill write-off of £1.25m arising from the acquisition last August of the Suby Engineering Development Co.

The directors explain that the group's interest in Ion Exchange (India) was reduced to 40 per cent in January 1978, and from that date this interest has been treated as a trade investment. The directors say that, in the water treatment and engineering division, turnover increased 7

per cent to £61.3m while profits rose 31 per cent to £4.31m, reflecting the forecast progress.

	1978	1977
£'000	£'000	£'000
Turnover	52,940	47,300
Papermaking	24,372	22,789
Water treatment and engineering	22,735	24,523
Property	1,000	961
Inter-group and intra-group	5,053	3,904
Profit before tax	9,568	8,678
Papermaking	5,000	5,179
Water treatment and engineering	4,310	3,238
Property	408	577
Inter-group	5,053	4,551
Tax	68	58
Outside shareholders	1,496	77
Extraordinary debit	1,500	3,927
Attributable	32	32
Pre-tax dividend	1,257	1,337
Ord. dividend	1,402	1,236
Final	1,402	1,236

comment

Portals has long seen a cyclical pattern in its bank note paper-making activities, but profits from this source could soon be breaking out of an 18-month plateau. The improvement is not expected to be particularly pronounced this year, but the trend is likely to accelerate in 1980 as various leasing authorities opt for a clean bank note policy. But papermaking accounts for only 57 per cent of profits, for water treatment and engineering provided almost all the 10 per cent pre-tax upturn. The group's ability to turn away low-margin contracts might be taken as an indication of the buoyancy of the water treatment market worldwide and prospects will be lifted by the new sales operation in Saudi Arabia, strong Australia

lan order books and some success in by-passing political obstacles in Iraq. The Suby bookbinding equipment acquisition may be worth £450,000 pre-tax this year and, even without this, it would not be surprising if the water treatment and engineering side became the senior profit contributor this year. However, the shares at 266p, where the p/e is 10.6 fully taxed and diluted, and the yield is 5.3 per cent, might be starting to discount the next stage of paper-making growth.

Ferry Pickering over £0.6m

TAXABLE EARNINGS at Ferry Pickering Group, the printing, packaging and publishing concern, advanced by £186,000 to £207,000 in the six months to December 31, 1978. Consistent demand led to a satisfactory level of efficiency being maintained and sales improved from £2.67m to £3.33m.

At least similar growth is projected by the company for the second half. For 1977-78 profit was a record £9.96m, compared with £9.70m.

Tax of £316,000, against £219,000 for the full year, left stated earnings per 10p share 2.08p ahead at 6.81p. The net interim dividend is stepped up to 1.375p (1.25p)—last time a total of 2.6431p was paid.

Britannia Arrow returns to profit in second six months

AFTER REPORTING a much reduced mid-year deficit of £38,000 against £2.94m last time, Britannia Arrow Holdings, formerly Slater, Walker Securities, returned to profitability in the second six months to December 1978 with a pre-tax profit of £519,000 compared with a £3.72m loss in the previous year.

Turnover of this investment banking and unit trust management group was reduced from £11.4m to £5.54m. Investment management profits amounted to £2.04m against £1.68m, while overhead expenses and net interest payable fell by £3.7m to £1.97m.

Earnings per 25p share, before extraordinary items, are shown at 0.17p (£5.23p loss). During the year the company resumed payment of the preference dividend, together with all arrears due. Again no ordinary dividend is to be paid, although the directors

anticipate a return this year — the last payments totalled 5.2565p net in respect of 1974 when £14.48m pre-tax profits were achieved.

Since the year-end, the company has had properties for £3.26m and the directors have revealed these at this amount in the 1978 accounts. The net surplus on revaluation of £684,159 has been credited directly to

	1978	1977
£'000	£'000	£'000
Turnover	6,544	11,403
Invest. management	2,039	1,678
Invest. income	154	372
Invest. dealing	289	218
Property	269	218
Overhead expenses net	1,971	5,672
Interest paid	5,672	2,682
Exceptional debit	519	3,726
Minority loss	233	37
Tax	208	3,757
Net profit	3,285	2,868
Minority	3,572	1,091
Attributable profit	4,857	1,777
Pre-tax dividend	3,080	7,091
Leaving profit	1,777	1,086
Loss		

HOME CHARM

Home Charm has acquired the remaining 50 per cent of the capital of Home Charm Potton for £594,000 cash.

Home Charm Potton carries on business as home improvement, D.I.Y., decorating and furniture retailers from four stores trading as Texas Homecare. Its profits for 1977 were £181,909 and total shareholders funds stood at £274,128. It is estimated that profits for 1978 will not be less than £310,000.

British Vita

- 1978 - A YEAR OF MAJOR PROGRESS
- * Doubled U.K. contribution of £2.8m to record Group pretax profits of £6.83m
- * Dividend increased 50%
- * Group well balanced for growth.
- * Significant investment programme in 1979.

The British Vita Group is an international leader in rubber and plastics technology, manufacturing products for industrial, consumer and transport applications with an emphasis on comfort and safety.



Copies of the Report & Accounts can be obtained from The Secretary, British Vita Company Limited, Middleton, Manchester M24 2DB, Tel: 061-943-1133.

ANGLO-AMERICAN SECURITIES CORPORATION LIMITED

Summary of results

Year ended 15th January	Gross Revenue	Ordinary Share Dividend Paid per Share (net)	Gross Assets (Less Current Liabilities)	Net Asset Value
1974	£2,539,978	1.90p	£84,651,085	95p
1978	£3,592,342	3.00p	£78,149,858	114p
1979	£4,283,381	3.30p	£91,503,889	139p

Portfolio Distribution U.K. 57.9% North America 29.9% Japan 7.6% Others 4.6%

The policy of the Directors is to invest with a view to growth in capital, which should produce an increasing flow of income over the years. To this end it is intended to continue to concentrate on high quality shares in a geographically diversified portfolio and to seek for potentially rewarding situations in the newer and emerging technologies.

It is anticipated that the dividend for the current year will be at least maintained at the rate of 3.30p per share.

Copies of the Annual Report and Accounts are available from the Company's offices: Bucklersbury House, 3, Queen Victoria Street, London EC4N 3SQ.

Church

(Manufacturers and retailers of quality shoes)

“All divisions have started the year well”

reports Ian B Church, Chairman

- Sales rose 23% to £24 million and pre-tax profits increased by 9%. The maximum dividend is again recommended.
- Retail profits rose 32% to £1.75 million and the year marked major retail acquisitions adding 22 new branches.
- Despite excellent retailing in the U.S. both the American and Canadian results were affected by the strength of sterling.

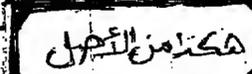
Comparative results	1978	1977
	£'000's	£'000's
Sales	23,969	19,530
Pre-tax profit	2,588	2,375
Dividend per share	3.81p	3.37p
Earnings per share	32.8p	34.8p

Copies of the Report and Accounts can be obtained from the Secretary, Church & Co. Ltd., St. James, Northampton NN5 5LB.

MANOR NATIONAL GROUP MOTORS LTD Trading Profits

Year ended 31st December	1978
(Manchester Garages Ltd. 12 months)	
(Oliver Rix Ltd. 15 months)	£
Group Turnover	47,178,595
Group Trading Profit (before interest)	1,640,720
Group Net Profit (before tax)	1,112,514
Dividend—Ordinary 2.14p net per share p.a. Preference 10.5% p.a.	

Extracts from the Chairman's Statement
“The company has made a healthy start, with profits exceeding forecasts.”
“Vehicle distribution for both British Leyland and Ford has made the major cash contribution.”
“All trading companies in the Group have returned encouraging results.”
“Company inter trading and exchange of ideas are assisting management integration.”
“The Group is seeking opportunities for expansion.”
R. A. Stoodley, Chairman and Managing Director
The Annual General Meeting will be held on Thursday 17th May, 1979, at Oxford Road, Manchester M13 0JD.



Financial Times Thursday April 12 1979

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume, retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

Table with columns: 1978, 1979, and various economic indicators like Ind. prod., Mfg. output, Eng. order, Retail vol., Retail value, Unemp. employed, Vacs.

OUTPUT—By market sector, consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s; monthly average).

Table with columns: 1978, 1979, and various output indicators like Consumer goods, Invest. goods, Interm. goods, Eng. output, Metal mfg., Textile etc., House. starts.

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance; oil balance (£m); terms of trade (1975=100); exchange reserves.

Table with columns: 1978, 1979, and various trade indicators like Export volume, Import volume, Visible balance, Current balance, Oil balance, Terms trade, Resv. US\$bn.

FINANCIAL—Money supply M1 and sterling M3, bank advances to sterling, the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, net credit; all seasonally adjusted. Minimum lending rate (end period).

Table with columns: 1978, 1979, and various financial indicators like M1, M3, Bank advances, DCE, BS inflow, HP lending, MLR.

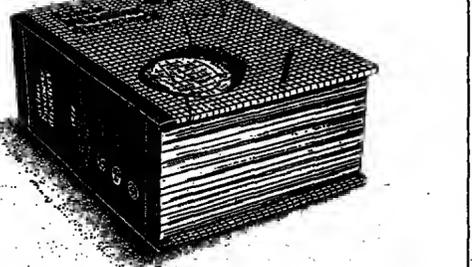
INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); RT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

Table with columns: 1977, 1978, 1979, and various inflation indicators like Earnings, Basic mat'ls, Whseal, RPI, Foods, FT comdty, Strig.

FOOD PRICE MOVEMENTS

Table showing price movements for various food items like Bacon, Butter, Cheese, Eggs, Beef, Lamb, Pork, Poultry, and their prices per unit.

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The Asian Business Directory

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Gold Fields Group

DEELKRAAL GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 98,540,000 shares of 20 cents each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: 2,703 metres of off-reef development were advanced on 3, 5, 7, 9 and 11 Levels.

CAPITAL WORKS: No. 2 Shaft and No. 1 Sub-Vertical Shaft No. 1 Sub-Vertical Shaft, which is an extension of No. 2 Shaft, was sunk 42 metres to its temporary final depth of 528 metres below collar...

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

EAST DRIEFONTEIN GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 64,510,000 shares of 81 cents, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 548, 302, 302, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

LIBANON GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 7,937,300 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

KLOOF GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 30,240,000 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

WEST DRIEFONTEIN GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 14,082,180 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

BOORFONTEIN GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 8,826,000 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

VENTERPOST GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 5,050,000 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

VLAKFONTEIN GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 6,000,000 shares of 80 cents each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

NOTE:

Copies may be obtained from the United Kingdom Registrar: Close Registrars Limited, 803, High Road, Leyton, London, E10 7AA

MARCH QUARTERLIES

All companies mentioned are incorporated in the Republic of South Africa

DEELKRAAL GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 98,540,000 shares of 20 cents each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: 2,703 metres of off-reef development were advanced on 3, 5, 7, 9 and 11 Levels.

CAPITAL WORKS: No. 2 Shaft and No. 1 Sub-Vertical Shaft No. 1 Sub-Vertical Shaft, which is an extension of No. 2 Shaft, was sunk 42 metres to its temporary final depth of 528 metres below collar...

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

EAST DRIEFONTEIN GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 64,510,000 shares of 81 cents, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 548, 302, 302, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

LIBANON GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 7,937,300 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

KLOOF GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 30,240,000 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

LIBANON GOLD MINING COMPANY LIMITED

ISSUED CAPITAL: 7,937,300 shares of R1 each, fully paid.

Table with columns: Qtr. ended 31/3/1978, Qtr. ended 31/12/1978, and various financial results like Operating results, Revenue, Profit.

OPERATIONS: There was an illegal six-day strike between 7 and 13 March 1978 by certain employees, members of the Mine Workers' Union...

DEVELOPMENT: Main Reef advanced (m) 188, 202, 210, 157, 5.8, 1,537, 1,218.

On behalf of the board R. A. Plumbridge, C. T. Fanton, Directors

UK COMPANY NEWS

Croda disappointed with last quarter trading

DESPITE disappointing trading in the last quarter of the year, taxable profits of Croda International, chemical processor, finished 1978 at a record £15.12m against a previous £13.04m. Sales were up by only £7.56m to £234.13m but Sir Frederick Wood, the chairman, says the group obtained "a small but satisfactory increase in our margins."

comment

Croda is as much a hostage to the vagaries of the world chemical cycle as ICI these days. Its pre-tax profits, helped by a £0.8m surplus on sales of investments, are £2.1m higher, but they would have been another £10m better if Croda had made the same sort of margins as in 1974 at the height of the last chemical boom. The group's profits have been helped by loss elimination at the animal glue operations and margins in other parts of the group have been improved. Given that sales are only marginally higher, Croda's improved performance is creditable. The current year has got off to a bad start, because of industrial troubles, but the company believes that there are a few signs (such as shortages of certain products) that the chemical industry could pick up more smartly than some suggest for the second half of 1979. At 57p, the shares yield 6.4 per cent.

Boosey finishes £0.8m off

SECOND-HALF profit almost halved from £1.03m to £527,000 left Boosey and Hawkes with £1.16m pre-tax for 1978, compared with a previous £1.96m. Turnover for the full period was down from £17.9m to £16.55m.

The directors say they expect 1979 to be a better year: the instrument and organ businesses should improve and the publishing side will continue to be buoyant, they state.

Mr. Hugh Barker, chairman, says the major causes for the poor results for the year were the continued output shortfall in the musical instrument factory, which directors are working to remedy by training additional skilled labour and by investment in new plant, and start up costs incurred in developing the reconstituted electronic organ business and the pop music venture.

And there was a terminal loss of £100,000, in respect of the factory in Malta, now closed. Earnings are shown as 17.2p (24.6p) per 25p share and a final dividend of 3.75p net lifts the dividend yield for the year from 5.128p to 5.687p.

Table with 2 columns: 1978, 1977. Rows include Turnover, Profit before tax, Tax, Net profit, Dividend, etc.

Lead Industries slumps to £14.8m after associate fall

A FALL in associated profits was largely blame for the taxable surplus of Lead Industries Group slumping from £19.72m to £14.82m in 1978. Sales were ahead from £287.71m to £288.98m. At midyear the pre-tax profit was down from £12.3m to £8.92m.

The Board adds that the 1978 results take into account two major accounting policy changes. Depreciation on the fixed assets of UK and overseas subsidiaries is provided on the current cost replacement cost, instead of historical cost. And the tax calculation is based on SSAP 15. Last year's results have been restated.

The taxable profit is struck after historical depreciation of £3.11m, against £4.5m, and there is additional depreciation charge on current values of £4.13m (£1.49m). The trading profit was down from £20.62m to £19.95m.

The directors say the profit fall is due to associated company profits being some £3m lower at £3.96m. In addition there is £1m extra depreciation in the subsidiaries because of the changed accounting policy, and a further £1m from the exclusion of Good-lags Nerolac. This company, a former subsidiary, became an associate last year.

The Board adds that the associated companies were hit by the continued low profitability of Toxide. Although some associates were down on 1977, they made some recovery in the second half of last year.

On prospects the directors say the bad weather and the strike effects on transport and docks at the beginning of the year will have some impact on results. But this will be reduced by the overseas activities, and in the UK by the way some companies have maintained a high level of activity and others have seen a recovery in demand. Prospects are still uncertain with world trade influenced by higher oil prices, and the UK by the forthcoming election.

After tax of £8.78m (£7.53m) and minorities of £388,000 against £527,000 the net profit is well down from £11.36m to £7.66m. There is extraordinary credit of £1.37m (£418,000), and after dividend payments the retained profit is £5.54m, against £8.54m.

The final dividend of 4.93p net per 50p share lifts the total from 7.37p to 8.23p. The cost is £3.5m (£3m). Stated earnings per share after tax and additional depreciation are down from 28.8p to 18.3p.

After historical depreciation the fall is from 38.8p to 27.5p.

comment

The accounting changes distort Lead Industries' underlying performance during 1978. Beneath the higher depreciation charges and the deconsolidation of Good-lags Nerolac is a drop in the contribution from the distilling division, only partly explained by disruptions to its motor industry customers. But the paint division had a reasonable year; ceramics in the UK produced a better result, but the overseas contribution fell away because of difficulties in Italy. The metals and chemicals business was down a bit in the UK but stronger overseas on the back of higher results from South Africa. Associated company figures dropped heavily largely because of the downturn at Toxide. Prospects for 1979 are uncertain but overseas contributions will be boosted by U.S. acquisitions made late last year and early in 1979. The shares, at 151, have a p/e of 5.1 and a yield of 8.4 per cent.

Morris and Blakey up to £0.44m

FOLLOWING the midway rise from £117,376 to £182,590, Morris and Blakey Wall Papers expanded 1978 taxable profits from £210,794 in a record £299,742, on turnover some £2m higher at £10.55m.

Severe weather conditions and the housing strike combined to depress trading in the first quarter of this year, which is traditionally a difficult period, the directors say.

However, sales are rising and they are confident that the improvement normally experienced in the spring and summer months will materialise.

The full year result included losses of £75,597 (£7,542) from discontinued operations and was subject to a substantially higher tax charge of £22,178 (£27,515) and £19,058 (£20,222) extraordinary debits.

Earnings per 25p share are given down from 9.86p to 7.22p, while a net final dividend of 2.53p lifts the total payment to 4.69p (£1.1p).

The group's portfolio of freehold and leasehold properties was professionally valued as at December 31, 1978, to disclose a surplus of £1.06m. This has been incorporated in the accounts and capital reserves have been increased accordingly.

J. England profits slump

The chairman says there were no significant contributions from companies which were acquired during the year. Principal group properties in the UK were revalued in 1978 and the net surplus of £9.51m was credited to reserves.

RENTOKIL. Rentokil Group has acquired the capital of Crusader Alarms, a specialist in intruder alarms, fire alarm systems and security, for £404,316.

British Vita confident of successful year

Sales in the UK and profitability are generally in line with expectations, the chairman of British Vita Company told the annual meeting. He said he was confident that 1979 would be another successful year.

In the UK the group was investing in capital equipment to increase facilities, improve efficiency and consolidate retail positions. The benefits will show in the 1980's.

Last Thursday the company announced the proposed acquisition of Libeltex SA in Belgium, one of the largest producers of bonded fibre wadding in Europe. The company and Vita Luxan, the group's existing fibre processing concern, will form the base for broadening further the range of international operations.

The international sector continued to progress and the chairman looked forward to another successful year in this field.

Alliance Trust sees further income growth

In the absence of any major change in investment policy at Alliance Trust Company, further income growth may be expected, says Mr. D. F. McCurrach, the chairman, in his annual statement.

He adds that the Board's earnings estimate for the current year already stands at 8.8p net 25p share, compared with the 1978 year-end figure of 8.28p, and 7.37p previously which excluded an exceptional tax credit.

As reported March 3, after-tax revenue rose from £3.91m to £4.24m for the year ended January 31, 1978. The total dividend is lifted to 8p (7.1p) net and the interim payment for the current year is to be stepped up from 2.5p to 3p.

At balance date, investments, including temporary investments, were valued at £181.75m (£142.61m). Current assets fell from £0.98m to £0.28m and current liabilities stood at £4.94m (£3.31m).

Meeting, Duodec, May 4, 11.30 am.

Strikes give IMI poor start to 1979

The current year started none too well for IMI. Sir Michael Clepham, chairman, told shareholders at the annual meeting.

The group was quite severely hit in January by the road haulage dispute when it was unable to make despatches, particularly for export, and when some raw materials—especially copper—were locked up in the docks.

Also, he continued, the group suffered a three-week strike over pay negotiations at the Leeds works of Yorkshire Imperial Metals.

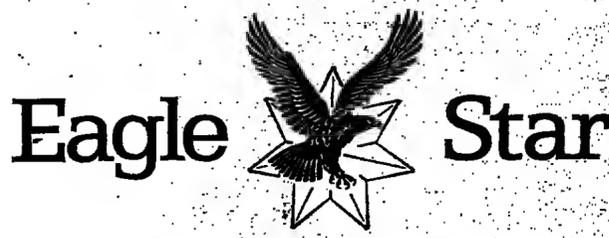
While February was a better month, political and economic uncertainties made it difficult to predict performance, the chairman said.

However, long-term confidence was indicated by investment which included expenditure on fixed assets of something over £20m, excluding possible acquisitions. Most of this, the chairman added, would be in the UK, but further overseas earnings growth was a continuing objective.

The group intended both to increase exports and to select opportunities for further investment overseas.

In doing this, the chairman concluded, the group would look first to enterprises which could build on existing market knowledge and product range, and invest in established UK operations.

In the 1978 year, taxable profits were down from £34.2m to £32.2m, on turnover 12 per cent higher at £924.01m.



SUMMARY OF GROUP RESULTS FOR 1978

RESULTS. Investment income in the shareholders' fund increased by 25 per cent to £48.5m. Pre-tax profits of Grovewood Securities were £11.2m and with the share of associated companies' profits brought the total income from investments to £60.2m, an increase of 29 per cent. The shareholders' long term profits were £3.4m after grossing up for corporation tax and franked investment income. There was a transfer to the fire, accident and motor account of £11.7m (1977: £4.3m) and from the marine and aviation account of £1.0m. General business premium income increased by 16 per cent.

Overall pre-tax profits increased by 17 per cent to £59.9m. It is proposed to ask shareholders to approve a staff profit sharing scheme for eligible employees of Eagle Star Insurance Company Ltd. under the Finance Act 1978 and provision has been made for this in the accounts.



Sir Denis Mountain, Bt., Chairman.

Table with 4 columns: 1978, 1977, 1978, 1977. Rows include Premium Income (Fire, accident and motor; Marine, aviation and transport; Long term - annual premiums; single premiums), Profit and Loss Account (Investment Income; Profits of Grovewood Securities; Share of associated companies' profits; Shareholders' long term profits; Underwriting loss; Expenses not charged to other accounts; Surplus before taxation; Taxation; Minority interests; Net surplus for year available for appropriation; Staff profit sharing scheme; Loss taxation; Surplus available before transfer to catastrophe reserve; Transfer to catastrophe reserve; Dividends; Balance added to retained profits and reserves).

INVESTMENTS. Within the United Kingdom there was a further increase in the cash flow of both the shareholders' and long term funds. Most of the new money was invested in stock exchange securities, with British Government securities slightly predominating, though towards the year end we added to our equity portfolio at a somewhat greater rate than in recent years. At the end of the year capital appreciation of our investments with shareholders' capital and free reserves amounted to 57 per cent of general business premium income.

FIRE AND GENERAL. Our overall result is analysed geographically in the following table in which we include that part of our investment income which arises on our insurance funds as well as pension fund contributions:

Table with 5 columns: Premium income, Underwriting fund result, Pension contributions, Investment income, 1978 Total, 1977 Total. Rows include United Kingdom, including marine and reinsurance; Australia; Belgium; South Africa; USA; Other territories; Attributable to shareholders' funds.

* Unexpired risks provisions in respect of overseas business have been shown against other territories. 1977 figures have been adjusted accordingly.

UNITED KINGDOM. Premium income increased by 22 per cent to £218m (1977: £179m). There was an underwriting loss overall of £9.1m (1977: loss £3.9m) after making additional provisions for unexpired risks in the "all-in" and motor accounts. There was a satisfactory profit on the commercial and industrial fire account. The "all-in" account had another difficult year with a loss of £8.3m (1977: loss £4.5m). The underlying unprofitability of this account has been aggravated by claims arising from severe weather at the beginning of 1978. The major problem of this account has, however, been under-insurance on that section concerning house buildings and contents. We are in the process of converting all policies concerned to an index-linked basis which will result in a significant increase in premiums in 1979 without a commensurate increase in liability. Motor insurance showed a loss of £4.9m (1977: loss £2.7m) after making an additional provision for unexpired risks. The exceptionally high number of claims arose because of the bad weather in the early part of 1979. In the liability account premium growth, although satisfactory, slowed down. There was an overall loss in the account of £1.0m. Industrial disease and deafness claims are a major cause for concern in the employees' liability account and we have again set up substantial additional provisions for these. Our engineering subsidiary again produced an excellent underwriting result with a profit of £1.3m.

OVERSEAS. There was an overall underwriting loss of £1.8m (1977: loss £0.7m). In Australia trading was again disappointing. In the face of fierce competition prevalent in the Belgian market we are continuing to concentrate on those classes which hold the expectation of underwriting profit. Our new subsidiary in the USA, Eagle Star of America, has got off to a good start and the 1978 results for our operation there were marginally profitable. Excellent results were again achieved in South Africa. Profits from Barbados continue at a very satisfactory level. In Jamaica it was a relatively disappointing year.

MARINE AND AVIATION. In our 1975 underwriting account we had previously made substantial provisions for outstanding claims out of surplus arising from earlier underwriting accounts. We consider that on closing the 1975 account part of these provisions is no longer required and we have transferred £1m to profit and loss account.

LONG TERM. World-wide new business produced sums assured amounting to £2,388m (1977: £1,599m) and annual premiums of £25.2m (1977: £18.0m). Single premiums and considerations for annuities amounted to £50.1m (1977: £88.3m). We were able to increase rates of bonuses to policyholders and have declared a terminal bonus for maturing individual ordinary with profit whole life and endowment assurances. Profits transferred to shareholders' funds were £5.4m (1977: £4.5m) net of tax, with a grossed-up value of £9.4m (1977: £8.0m), including £0.2m from the Belgian long term fund.

GROVEWOOD SECURITIES LIMITED. The pre-tax profits of Grovewood Securities were £11.2m, an increase of 57 per cent over that of 1977. Grovewood Securities has from 1987 produced ever increasing profits and since joining the group in 1975 pre-tax profits have tripled.

FUTURE OUTLOOK. Forecasting the result of insurance underwriting is a hazardous occupation at the best of times and particularly so in present conditions but in the United Kingdom where most of our business arises we have a strong positive cash flow in both long term and general business, and subject to the general level of interest rates, this should continue to benefit investment income.

DIVIDENDS. The Directors are recommending to the shareholders at the Annual General Meeting to be held on 18th May 1979 a final dividend of 3.4909p per share payable on 15th June 1979 to shareholders on the register as at the close of business on 17th May 1979. With the interim dividend of 3.35p per share which was paid on 12th January 1979 the maximum allowable dividend will have been paid having a gross equivalent of 10.2103p per share (1977: 9.282p). The total cost of these dividends will be £9.2m.

Copies of the Report and Accounts for 1978 and the Chairman's Statement will be sent to shareholders on 24th April 1979.

Eagle Star Insurance Company Limited, 1, Threadneedle Street, London EC2R 8BE.

THE ALLIANCE TRUST COMPANY LIMITED

The following is the Statement by the Chairman, Mr. David F. McCurrach, circulated with the Annual Report for the year ended 31st January 1979.

RESULTS. Earnings for the year are more than 12% higher, at 8.28p. Franked Investment Income rose by £312,000, reflecting increases in U.K. dividends and despite a £5 million net disinvestment from U.K. equities over the last 2 years. Dollar income was adversely affected by the lower average value of the dollar against sterling. Higher interest on Temporary Deposits to which we added over £3 million together with a full year's income on U.K. Gilts purchased last year contributed £516,000 more to Unfranked Investment Income. Your Directors recommend a final dividend of 5.5p making a total of 8.0p against 7.1p, an increase of 12.7%. As stated last year, dividends paid have again more than doubled compared with 10 years ago. In the absence of any major change in investment policy further income growth may be expected and our earnings estimate for the current year already stands at 8.8p. It is the Directors' intention to raise the interim dividend for 1979/80 from 2.5p to 3.0p.

VALUATION. Despite continuing world political and economic disturbances, equity markets gave a surprisingly vigorous and uniform performance in 1978/79. The F.T.A. All-Share Index rose by almost 10% in the U.S. the S. & P. 500 Share Index rose by 12% and by 24% adjusted for Premium Currency; while equity investment in Japan and Germany also benefited from rising stock markets and a further relative fall in sterling.

Our own valuation increased by 13%, less than it would have done had we been fully committed to equity investment. However, in view of the international uncertainties it seemed prudent to maintain liquidity at 12% in Government Stocks and Temporary Deposits in sterling, dollars and marks. Nevertheless, at £162 million, the year and valuation end the net asset value at 293.1p were the highest in the Company's history. There is detailed below for the first time an analysis by markets of investment transactions segregating changes in market values.

Table with 8 columns: U.K. Equities, U.S. Equities, European Equities, Other Equities, Fixed Interest, 1979 Total, 1978 Total. Rows include Valuation at 31/1/78, Purchases, Sales, Appreciation/(Depreciation), Valuation at 31/1/79.

THE PRIVATE SHAREHOLDER

It is a commonplace that individual private shareholdings have proportionately declined year by year over a generation in most western countries. In Britain in 1957 individuals held 66% of all Ordinary shares; by 1975 the figure had fallen to 37% and has continued to fall at a rate of over 1% per annum. Corresponding figures for the United States are around 80% in 1957 and 66% in 1975. Many forces have caused this, but outstandingly forms of taxation both general, of the higher incomes which in earlier times would have been saved and invested, and specifically by way of discriminatory advantages to institutional savings through insurance and pension schemes. These forces have a major unhappy economic and social effects ranging far and wide beyond my immediate theme. But in my context they have whittled away the demand from new investors while deaths, and death duties, have created a relentless flow of selling. The inevitable results emerged in a recent study of their shareholders carried out by Fisons Ltd. showing that the 35-64 age group, which had accounted for 57% of private shareholders in 1969, had fallen to 45% by 1975. In the 1975 analysis only 15% of shareholders were under 50 while 19% were over the age of 75.

What is less well known is that for a number of years private holdings in investment trusts withstood this trend, indeed reversed it up to the time when we, in turn, were subjected to discriminatory taxation affecting both our income and capital transactions, and our shareholders themselves. Our own studies showed that whereas in the decades to 1967 individuals' total share of U.K. registered and managed companies had fallen from almost two-thirds to 45%, the proportion of their money held in investment trusts had more than doubled, despite the odds of untraded trusts. Later the pressures became too great and there has been an absolute decline in the number of individual holders coupled with a steady fall in the size of their average holding. We reached a peak of 21,200 shareholders in 1976, now down to 18,135. Obviously these same forces were the main cause, but they have been aggravated by a change in the general approach to the function of investment trusts. New styles of financial journalism, of professional advice and even of many investment management objectives laid increasing, and finally exclusive emphasis on rapid growth, short term performance and quick capital gains. Study of investment trusts shifted from sound management, solid assets, and longer term earnings and dividend patterns, first to primitive calculations of net assets and discounts and finally now to a sophisticated monthly apparatus focussing wholly on these factors and eclipsing what I believe to be the true function of the trust, the provision of a service to the private investor for the safe and productive long-term management of his investment capital. Not that this rules out good asset value performance. On the contrary, over the years both before and since these new fashions our net asset values have borne comparison with market indices and other investment media and have from time to time decisively improved on them. The stress, however, remains on the service to the individual who today, as often in the past, can in one step buy a first class balanced portfolio at a substantial discount and then leave all later worries to us, counting on sound capital management and a steadily rising dividend.

SHAREHOLDER INFORMATION SERVICE

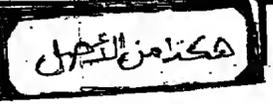
Underlining this function of service to individuals, your Directors have decided to formalise a practice which has been developing spontaneously in recent years. We have been answering an increasing number of enquiries from shareholders relating to such matters as Capital Gains Tax and our own Dividend Investment Plan, which suggest a real need for help of this kind. We think it right to let all individual shareholders know that we do this end stand ready to help with whatever information we can properly supply, on purely technical, procedural or tax principle matters relating to the buying, holding and selling of investment trust company stocks. Obviously we cannot offer advice on the advisability of buying or selling, on individual tax situations or on any matters which properly fall within the province of the professions, but we invite individual stockholders or intending stockholders in need of specific information to write to the Secretary.

In this context, I take the opportunity to say a little about the management and Secretarial organisation itself. The team is small, using all the available resources of technology, including in recent years our own specially designed and tailored computer "programs" for internal financial control and administration. This is reflected in the fact that our expenses per million pounds invested, as shown in the 1978 Investment Trust Year Book issued by the Association of Investment Trusts, are the lowest of all major funds, at £1,700 compared with an average of £2,700 for all funds over £50 million, and have increased by only 32% over the last 4 years when inflation has been 80%. All this is a self-evident tribute to the diligence and dedication of our staff and to the increased efficiency of administration. I would just add finally that, I believe uniquely amongst investment trusts, your Directors themselves meet weekly with the Managers, as they have done for many years.

DIVIDEND INVESTMENT PLAN

Attention is drawn to the operation of the Company's Dividend Investment Plan and to the advantages accruing to participants from averaging purchases during 9 years of violently fluctuating stock markets. Initial participants will have increased their holdings by 26% at an average all-in cost of 182p compared with a market price of 217p at 31st January 1979. A Form of Authorisation can be obtained from the Secretary at the Company's Registered Office or from the Agents of the Plan, The Royal Bank of Scotland Limited, 31 St. Andrew Square, Edinburgh EH2 2AB.

2nd March 1979.



Companies and Markets

UK COMPANY NEWS

GRE up 40% to top £83m

A RETURN to underwriting profits, plus a 20 per cent rise in net investment income sent pre-tax profits of the Gibraltar Royal Exchange Assurance soaring by over 40 per cent in 1978 from £38.5m to £83.5m. Earnings showed a similar growth amounting to £41.3m compared with £28.5m in 1977.

Shareholders are rewarded with a 12.4 per cent lift in their gross equivalent dividend, though the group could have raised it by as much as 19 per cent. A final dividend of 6.9415p is being recommended which with the interim and associated tax credit makes a gross equivalent of 17.3154p against 15.4022p in 1977.

Net premium income on general business showed a growth last year of just under 5 per cent from £592m to £620m. But an underwriting profit of £4.8m was recorded in 1978 against a loss of £8.6m in 1977. This turnaround came surprisingly from the UK account where a loss of £8.6m in 1977 was changed to a £5.4m profit in 1978.

The group, in common with all other insurers, lost money last year on its UK household account from the bad weather and underinsurance. Guards in the second largest motor insurer in the UK experienced a slight loss on its motor account, but still held its premium rates steady for 12 months. There were good results on the commercial fire and the accident accounts.

In Germany last year there was an underwriting loss of £8.6m against £5.7m in 1977. The situation was however, made worse by the authorities changing the method of calculating the transfer to the equalisation account which overstated the losses in 1978. Elsewhere, much better results were achieved in Canada, where a loss of £400,000 was turned into a profit of

£800,000 and the U.S. where underwriting profits quadrupled to £1.2m.

Investment income has developed well, rising from £38.5m in 1977 to £70.4m last year. The results for the year are the best ever reported by the group, despite adverse exchange rate movements. This effect, reduced premium as expressed in sterling terms by £5m and pre-tax profits by £2m. The group also felt the effects of losing from the 1978 consolidation, its profitable Nigerian business.

Contributions from long-term funds rose from £8.5m to £8.1m, but there were two special features. Because of the payment of a special bonus on certain policies, these long-term profits include non-recurring items of £1.9m. This was partly offset by the loss from the South African life operations which contributed £1.2m in 1977.

comment

At the halfway stage, GRE reported a £5m underwriting loss but a very good second half has enabled the group to show considerable underwriting profits, whereas the market expected a break-even at best. A buoyant commercial fire and accident account has offset the dull performance of householders' business while the motor account performed well in holding losses to a marginal £1m. A useful record in Germany on January 1 of this year plus the efforts to rationalise the business should stem the losses in this territory. A better UK performance, despite the severe winter weather, is expected and the record figures in the cards for 1979. The market reacted by improving the share price by 15p to 278p yielding 6.4 per cent. GRE has adopted a cautious attitude towards the dividend rise this year.

SUITS still fights on

BY JAMES BARTHOLOMEW

A majority of the independent directors of Scottish and Universal Investments, the holding company with stakes in the House of Fraser stores group and Whyte and Mackay Scotch whisky, have decided to oppose the £42.9m increased offer from Lorbho, which already owns 29.24 per cent.

Two of the directors, Sir Hugh Fraser and Mr. James Gosman, have changed their stance for the third time and now give qualified approval to the bid.

Charterhouse Japhet, financial advisers to the company, and Grieverson Grant, the company's stockbrokers, have told the board that Lorbho's bid is "inadequate, undervalues the company and does not include a full cash alternative." The revised offer consists of 115p cash and one Lorbho share for every share of SUITS.

Three of the independent directors accepted this advice but Sir Hugh and Mr. Gosman disagreed. "The offer is fair and reasonable and should be considered by shareholders after receipt of Lorbho's formal offer document and majority's formal rejection document," they said.

This was a modification of the apparently unreserved recommendation which Mr. Gosman last week said that Sir Hugh would give to the offer.

Sir Hugh has told the board that the trustees of the Fraser Trusts, which own an important 8.94 per cent of SUITS, will not make a decision on the offer until they have seen the documents.

In the offer document, sent yesterday, Lorbho quotes from

Rockwell stays firm on Wilmot offer

Rockwell International of the U.S. has formally announced that it will not increase its offer of 115p per share cash for Wilmot Breeden.

The move followed the news that Rockwell, has received clearance from the Monopolies Commission for the bid which values the UK motor components group at £24m.

Shortly afterwards, Wilmot's directors repeated their advice to shareholders that the offer "significantly undervalues" their company, particularly in view of the performance of the European operations, and should be rejected. Wilmot had already stated that it would recommend a bid at 135p per share.

Notwithstanding, Rockwell continued to buy in the market yesterday where the shares stood steady at 115p and picked up a further 8.7 per cent of Wilmot,

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are in mind or not. Dividend dates shown below are based mainly on last year's practice.

TODAY
Interim—F. Coopers
Finals—Automotive Products, Bedford Group, Bedford Concrete Machinery, Barkwick Timpo, Situated Engineering, Bowbough Holdings, Brown Jackson, International, Coral Leisure, Green's Economic, Midland News Association, New London Properties, Oil Exploration, Richards and Wallington Industries.

FUTURE DATES

Interim—Hambley	Apr. 23
Finals—Callender (George M.)	Apr. 17
Corinthian Holdings	Apr. 25
Dunlop	Apr. 19
Hay (Newcastle)	Apr. 18
Hay (Newcastle)	Apr. 26
Sunlight	Apr. 24
Woolfin	Apr. 18
Websters Publications	Apr. 20

the Monopolies and Mergers Commission report which gave permission for the bid to proceed. "The Commission commented: 'The entrepreneurial drive of Lorbho and its wider industrial and commercial experience together with its expressed commitment to Scotland could be of benefit to SUITS and, in the long term, to the prospects of employment in Scotland.'

Lorbho says in its offer that SUITS would become a new regional centre within the Lorbho group if the bid is successful.

Wilmot's advisers, Morgan Grenfell, confessed that they were disappointed by the market's reaction and claimed that if shareholders stood firm the offer could still be increased or a counter bidder might appear.

TAP ALLOTMENTS

Bank of England announces that the allotment price of the Exchange 11 per cent Stock 1991 is 97.50. All allotments have been made at that price.

Tenders made at prices above 97.50 have been allotted in full. Tenders made at 97.50 have been allotted as follows: tendered £1,300-£1,500: £200 stock, £1,300-£1,500: £300 stock, £1,500 and above: allotted between 18.38 per cent and 20 per cent.

Sanderson Kayser falls

AFTER INCREASED exceptional profits of £85,000, against £3,378, pre-tax profits of Sanderson Kayser, steel and tool manufacturer, fell from £1.09m to £888,000 in 1978. Turnover was marginally lower at £13.67m compared with £13.72m.

At halfway, when profits were virtually unchanged at £580,000, against £583,000, the directors said that the second period was not proving to be easy.

The directors say margins have been under great pressure, especially in the UK as a result

of increased costs, particularly of labour.

There has been a contraction in the labour force, they said, many employees taking voluntary redundancy.

After tax for the year of £418,000 (£567,067), earnings per 25p share are shown lower at 8.75p (8.79p). The net dividend is maintained at 4.38p, with a 2.91p final.

The extraordinary net credit of £470,000 from sale of shares in British Acheson, Electrodes, etc. attributable surplus from £520,096 to £340,000.

LYDENBURG PLATINUM LIMITED

(Incorporated in the Republic of South Africa)

INTERIM REPORT

The directors announce the following estimated consolidated financial results of the company for the six months ending 30 April 1979.

Six months to 30 April 1979		Year ended 31 October 1978 (Audited)
Net income before and after taxation	R590,000	R527,000
Earnings per share	41c	64c
Dividends—per share	5c	6.80c
Dividends—amount	R720,000	R979,000

DECLARATION OF DIVIDEND

Notice is hereby given that an interim dividend No. 50 of 5 cents per share in respect of the year ending 31 October 1979, has been declared payable to members registered in the books of the company at the close of business on 4 May 1979.

No instructions involving a change of the office of payment, will be accepted after 4 May 1979.

The register of members of the company will be closed from 5 May 1979 to 13 May 1979, both days inclusive.

The dividend is declared in the currency of the Republic of South Africa. Payments from the United Kingdom office will be made in United Kingdom currency at the rate of exchange ruling on 21 May 1979, or on the first day thereafter on which a rate of exchange is available.

Non-resident shareholders' tax of 15 per cent will be deducted from dividends payable to shareholders whose registered addresses are outside the Republic of South Africa. Dividend warrants will be posted by the transfer secretaries mentioned below on or about 30 May 1979.

The full conditions of payment may be inspected at the head office or the offices of the transfer secretaries of the company.

By order of the board
GENERAL MINING AND FINANCE CORPORATION LIMITED
per L. W. Humphries
London Office
Princes House,
95 Gresham Street,
London, EC2V 7EN.
11 April 1979.

United Kingdom Transfer Secretaries
Charter Consolidated Limited,
Charter House, Park Street,
Ashford, Kent, TN24 8EQ

NatWest Registrars Department

National Westminster Bank Limited has been appointed Registrar of

THE CARDIFF MALTING COMPANY LIMITED

All documents for registration and correspondence should in future be sent to:

National Westminster Bank Limited
Registrar's Department
PO Box No 82
37 Broad Street
Bristol BS99 7NH.

Telephone Bristol (STD Code 0272)
Register enquiries 290711
Other matters 297144

Revaluation puts £135m on UDS properties

BY ANDREW TAYLOR

THE continuing surge in UK retail property values is reflected in a £135m rise in the book value of UDS Group properties, announced yesterday.

The group, which takes in High-street names like John Collier and Richard Shops, said its freehold and long leasehold properties had been revalued at £234m—£135m more than the current book value—by Healey & Baker, the London-based surveyors.

Most of the properties, two-thirds of which are freehold, had been in the books at 1972 value or cost.

This is the second large-scale property revaluation to be announced this month by a major

RESULTS IN BRIEF

MANDERS (HOLDINGS) (paint and printing ink manufacturers)—Results for 1978 already reported. Group fixed assets £14.84m (£14.44m), net current assets £2.1m (£1.7m). Dividend funds increased by £44,000 (£1,27m). Meeting, Wolverhampton, May 3, noon.

HEALEY & BAKER (HOLDINGS) (door and window furniture maker)—Results for 1978 reported March 27. Group fixed assets £27,681,000 (£27,681,000). Net current assets £1.34m (£1,07m). CCA profit £77,785 (£542,383). Chairman says prospects for current year look quite promising. Meeting, Birmingham, May 8, at noon.

BARGET (furniture manufacturer)—Results for year to September 30, 1978, reported April 4. Group fixed assets £38,103 (£37,785). Net current assets £208,818 (£230,228). Working capital decreased £148,471 (£223,841). Commission to directors for loss of office £13,000 (nil). Meeting, Wymon, Essex, April 30, at 10 am.

BRITISH SPINNERS—Results for 1978 already reported. Group fixed assets, £2.62m (£2.79m). Net current assets, £11.05m (£3.51m). Meeting, Bradford, May 9, at noon.

GEORGE SPENCER GROUP (knitwear)—Results for 1978 already known. Fixed assets £3.55m (£3.85m). Current assets £4.75m (£4.75m). Current liabilities £2.22m (£2.51m). Increase in working capital £0.08m (£0.21m).

STANLEY MILLER HOLDINGS (building and civil engineering contractor)—Final dividend 0.7p making 1.2p (0.75p) for 1978. Turnover £12,630,759 (£12,644,984). Profit £1,082,038 (£882,225). Dividend funds £114,000 (£88,385). Outside interests £3,965 (add £2,155). Earnings per share 5p (0.87p). Turnover 50% of the maintenance by the planned increase of trading in Saudi Arabia, which contributed to overall profits. Fall in UK trading volume in 1978, mainly due to the fact that the company cannot foresee any material improvement of home during 1978. Company has written back £212,000 relating to deferred tax.

BRADWALL (FMS) RUBBER ESTATE (interim dividend in final—1.7p (same) for 1978. Preliminary estimates indicate that profit may approach the £0.57m of 1977. Final accounts not available because of current merger negotiations.

HORA C CORY—Final dividend 0.75p (0.75p), making 0.75p for 1978 (£2,139,500 (£2,058,807)). Profit £107,116 (£127,405), profit £107,072 (£99,530) before tax £150,000 (£128,000). Earnings per share 3.54p (£2.94p). Tax charges reduced by prior year adjustment of £200,000.

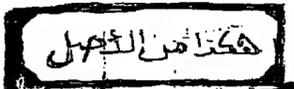
WALKER AND HOMER (manufacturing upholsterer)—For half-year to June 30, 1978, turnover £28,165 (£28,542) before tax £14,845 (£25,201) and extraordinary credit £9,500 (£10,137) and retained earnings £2,820 (£2,820). Earnings per share 0.26m (0.41p). Directors say results not as good as expected. Turnover for current year, but Board will continue to take advantage of opportunities and opportunities which arise.

WOLSTENHOLME RINK—Treasury consent received for payment of a final dividend for 1978 of 3.215p on May 22, 1978.

GENERAL AND COMMERCIAL INVESTMENT TRUST—For year to Feb. 28, 1978. Gross revenues £73,468 (£75,198); interest and expenses £139,840 (£109,408); pre-tax revenue £333,628 (£386,790); tax £221,287 (£218,482); net revenue £112,341 (£168,308); available £381,479 (£328,538); ordinary dividends £267,270 (£238,538); net current reserves £14,208 (£17,401). Earnings per 25p share 7.14p (6.15p). Net dividend 6.87p (5.82p) with 0.27p final. Year end net asset value 185.5p (158.2p).

CHURCH AND CO. (footwear group)—Results for 1979 reported March 17. Group fixed assets £2.95m (£1,74m), net current assets £2.14m (£8.46m). Meeting, Northampton, May 4, noon.

WILLIS FABER (insurance broker)—Results for 1978, with prospectus, reported March 21. Group fixed assets £27.32m (£26.91m), net current assets £2.05m (£3.56m). CCA taxable profit £18.57m. Meeting, 10, Trinity Square, EC, May 28, noon.



Empire Stores

Turnover tops £100m.

● Mail Order sales and profit before tax both increased by 18%. Satisfactory progress continued into this year and demand from new catalogue up to expectations.

● Proposed to increase dividend by 10% and to capitalise part of share premium account by scrip issue of one new share for every five shares in issue.

1979		1978	
52 weeks ended January			
Sales (excluding VAT)		£000	£000
Net Profit Before Taxation		109,232	93,344
Net Profit After Taxation		8,109	6,887
Earnings per share		3,800	3,260
Dividends Interim		13.97p	12.74p
Proposed Final		2.479p	2.22p
		2.90847p	2.644064p

1979		1978	
Sales		£109m.	£93m.
1977		£77m.	
1976 (53 weeks)		£60m.	
1975		£52m.	

1979		1978	
Profit before Tax		£8.1m.	£6.9m.
1977		£5.4m.	
1976 (53 wks)		£4.4m.	
1975		£3.7m.	

Empire Stores

MATTHEWS WRIGHTSON Insurance, Shipping, Air Broking and Rural Land Use

Preliminary Announcement of Results for the year ended 31st December 1978

	1978	1977
Turnover	£67,550	£62,694
Profit before taxation	10,930	8,229
Profit attributable to shareholders	4,134	2,860
Earnings per share	30.37p	19.70p
Dividend per share	11.0550p	9.1852p

Results and Dividend
Pre-tax profit rose 33% to £10.93m. (1977 : £8.23m. — restated). Earnings per share rose 54% to 30.37p (1977 : 19.70p). Proposed final dividend for the year 7.4597p per share making a total for the year of 11.0550p (16.50p gross).

Insurance
Pre-tax profit of the combined insurance activities rose from £7.79m. to £9.78m. Insurance broking profit rose from £6.61m. to £7.86m. despite adverse exchange rate movements. Profits of the group's insurance companies rose from £843,000 to £1.34m. The Lloyd's underwriting agency contributed £586,000 against £330,000 in 1977.

Shipping
Shipbroking profit was £1.16m. (1977 : £1.47m.); a satisfactory performance in the face of the continued depression in worldwide shipping markets.

Air Broking
Instone Air Transport earned a record profit of £280,000 (1977 : £181,000).

Rural Land Use
Policy changes made in 1977 and 1978 enabled the group significantly to reduce its loss from £991,000 (restated) to £55,000.

Profit Rental
The group continued to earn a substantial profit rental from its ownership of the lease of Fountain House.

Matthews Wrightson Holdings Limited,
1 Camomile Street, London EC3A 7HJ

To the holders of

NATIONAL BANK OF HUNGARY
(Magyar Nemzeti Bank)

Redeemable Floating Rate Deposit Notes due 1981
In accordance with the provisions of the above Notes, American Express International Banking Corporation, as Fiscal Agent, has established the rate of interest for the semi-annual period ending on the 28th September, 1979, at 10 1/2 per cent. Interest due at the end of the Interest Period will be available upon surrender to any of the Paying Agents of Coupon No. 5.

American Express International Banking Corporation as Fiscal Agent.

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave. London EC3V 3LU. Tel.: 01-283 1101.
Index Guide as at April 3, 1979 (Base 100 on 14.1.77)

Clive Fixed Interest Capital	156.31
Clive Fixed Interest Income	128.29

ALLEN HARVEY & ROSS INVESTMENT MANAGEMENT LTD.
45 Cornhill, London, EC3V 3PE. Tel.: 01-623 6314.

Index Guide as at April 5, 1979	
Capital Fixed Interest Portfolio	113.10
Income Fixed Interest Portfolio	104.50

UK COMPANY NEWS

Companies and Markets

MINING NEWS

Kloof and Libanon lift quarterly profits

By Kenneth Marston, Mining Editor

THIS YEAR'S quarterly reporting season from the South African gold mines is opened with a set of satisfactory, if not exciting, March quarterly net profits from the Consolidated Gold Fields group. The main factor is the higher gold price received which has averaged around \$240 per ounce compared with about \$218 in the previous three months.

gold for dollars have received a slightly adverse exchange rate but they have still earned more in the past quarter because of the overall rise in the inflation price. In fact, the Gold Fields producers have received an increase of 7.7 per cent to an average price of R8,547 per kilogramme.

budget's reduction in tax and loan levy. In the accompanying table of March-quarter net profits, Kloof and Libanon make a good showing. Exceptionally, East Driefontein ran into a higher tax charge last quarter which converted an increase in pre-tax profit to a fall in the net figure. West Driefontein's higher profit from gold was offset by a fall in that from uranium.

	March	Dec.	Sept.
Driefontein	1,040	2,330	2,281
East Driefontein	26,259	30,811	22,812
Kloof	14,038	12,404	10,840
Libanon	8,854	4,795	4,132
West Driefontein	41,102	41,310	17,923
Uranium	330	353	148
West Driefontein	27,144	28,227	25,797

Rustenburg builds up steam

UNDERLINING the return from rags to riches in the platinum industry the world's leading producer, South Africa's Rustenburg Platinum Holdings, announces a pre-tax profit for the six months to February 28 of R45.9m (£25.9m) compared with only R12m a year ago.

level in order to meet the automobile industry commitments. The group expects that industrial and jewellery demand will remain firm while that from the U.S. automobile industry will show a further increase in the second half of this year. It seems possible therefore, that Rustenburg's total earnings for the year to August 31 could rise above 45 cents per share. Following the modest 5 cent dividend now declared a generous final dividend would be needed to provide an attractive yield; at the current cum-premium price of 187p a year's total of 15 cents would give only 6.4 per cent. A buyer would thus be looking ahead to continuing strength in the platinum market and he might well be justified in view of the current strength of demand which looks like continuing to exceed Western world production for a long while yet. However, it remains to be seen how well the market will absorb supplies of Russian platinum when they eventually return in force. One reason why they have dwindled in recent times is that the Russian mines contain sizeable proportions of both platinum and nickel and they have been reducing production because of the oversupply position in nickel. The latter market, however, is now starting to recover.

of both uranium companies are worth more than twice the price they are fetching on the market, reports James Forth from Sydney. Merchant Bank, BT Australia, valued QML at between A\$141.8m (£75.5m) and A\$151.4m, or between A\$7.37 (392p) and A\$7.58 a share. Kathleen Investments, which owns 50 per cent of the capital of QML, was valued at A\$80.7m to A\$88.6m, or between A\$6.55 and A\$6.95 a share. Directors of the two companies estimate that the valuations were obtained to inform shareholders and the sharemarket generally of the underlying value of the shares as assessed by an independent valuer. BT stressed that their values ignore future dividend policy and were appropriate only to the price a corporate buyer would pay for control over the assets, future income and cash flow of the companies. It assumed a price of US\$44 a pound for future sales of uranium oxide under existing contracts and for the balance of production not committed to replacement of Government stockpiles. BT arrived at its valuations upon the basis of a discounted cash flow evaluation, using varying discount rates. The share market responded to the valuations yesterday by marking Kathleen Investments up 20 cents to A\$3.45 and QML up 20 cents to A\$3.30.

After deducting tax, the latest half-year net profit comes out at R24.4m, equal to 19.8 cents per share, against R300,000 in the same half of the year to last August. However, the subsequent recovery lifted 1977-78 total earnings to R25.8m. An interim dividend of 5 cents is declared for the current year to August 31. In 1977-78 there was only a final of 8 cents while in the previous year an interim of 2.5 cents was paid but there was no final. The advance in profits during the past half-year has mirrored the strength of platinum prices. During the period Rustenburg's selling level has been raised from \$250 per ounce to \$325. Current prices on the free market are around \$300.

At the same time, Rustenburg's re-negotiated agreement with Engelhard Minerals and Chemicals, which resulted in an additional revenue of R5.6m in 1977-78, has produced a further increase of some R2m in the first two months of the current financial year. Group production has increased in the latest period by some 16 per cent while costs have risen by 5 per cent.

QUEENSLAND AND KATHLEEN STOCK "WORTH DOUBLE" A valuation ordered by the boards of Australia's Queensland Mines and its controlling shareholder, Kathleen Investments (Australia), suggests the shares GEVOR TIN—March output: 11,822 oz. pre-treated produced 106 tonnes. Black tin (95 per cent Sn), including 14 tonnes low grade concentrates. February 102 tonnes.

comment Rustenburg is now building up to a full head of steam. Production capacity of the group mines will be increased to 1.2m ounces per annum this year and output is to be raised to this

Eagle Star ahead despite big underwriting loss

DESPITE AN underwriting loss double that of the previous year, the pre-tax profits in 1978 of Eagle Star Insurance moved ahead by 17 per cent from £43.5m to £50.9m, thanks to a 28 per cent boost in investment income and a 57 per cent advance from Grovewood Securities.

But a one-third higher tax charge, a minority interests charge double that of 1977 and the cost of introducing a staff profit sharing scheme resulted in the net surplus marginally lower at £26.4m against £26.5m in 1977. The transfer to catastrophe reserve from this surplus is unchanged at £2m.

A final dividend of 3.4908p per share is being recommended, which with the interim of 3.38p and associated tax credit makes a gross equivalent for 1978 of 10.2103p against 9.285p — the maximum 10 per cent increase allowed. Premium income on general insurance business advanced by 15 per cent from £31.5m to £36.4m. The overall underwriting loss on general business more than doubled last year to £10.1m against £4.3m in 1977. The UK experienced a very poor year and accounted for £3.5m of this loss — more than double that of 1977.

set up on the employers' liability account, but the engineering insurance subsidiary again produced an excellent underwriting profit of £1.3m. Overseas, there was an overall underwriting loss of £1.8m. In Australia trading was again disappointing. The company in the face of fierce competition in Belgium was concentrating on those classes holding the expectation of an underwriting profit. There were excellent results in South Africa and the new subsidiary in the U.S. has got off to a good start.

Within the UK there was a further increase in cash flow, with most of the new money being invested in stock exchange securities with gilts slightly predominating. Investment income rose from £38.7m to £43.5m. The surplus margin at the end of 1978 stood at 97 per cent.

The pre-tax profits of the non-insurance subsidiary, Grovewood Securities, amounted to £11.2m, a rise of 57 per cent over 1977. Since it joined the group in 1975, pre-tax profits have trebled. Profits from the long-term funds advanced significantly; last year from £8m to £9.4m.

The UK account was hit by two adverse features — continued under insurance and the bad weather at the beginning of this year. The company unlike most other insurers makes allowance in its 1978 figures for losses incurred in the first quarter of 1979. The overall underwriting loss, excluding the marine and reinsurance accounts, was £9.1m.

The "all-in" account covering household insurance experienced a loss of £5.3m, while the motor account incurred a loss of £2m. The company has been changing to an index-linked basis for its household insurance and has increased its rates. It also put up motor rates on January 1, 1979, only six months after the previous increase. But a further increase in rates before the end of the year cannot be ruled out. Additional reserves have been

Talbex runs into loss midway

DIFFICULT TRADING conditions, together with strikes and bad weather, resulted in Talbex Group turning in a £40,000 loss in the six months to January 31, 1979. Last time there was a £245,000 surplus.

Half-yearly turnover rose from £4.98m to £5.47m. In the last full year, taxable profits were £572,000. Mr. S. E. Lunt, executive chairman, says that the industrial hygiene and contract packing divisions operated in a difficult trading climate, with orders postponed and profit margins eroded.

comment The underwriting losses last year at Eagle Star turned out to be not so bad as expected, even though at £10m they were double those of 1977. As the most UK-oriented of the composites, it was hit by the bad weather on the household and motor accounts. But a much better second-half result ensured that the first-half loss of £9m did not appreciably worsen overall. The company's process of converting all its household policies to an index-linked basis should begin to bite this year, leading to higher premium income without a significant change in liability. A motor rate increase on January 1, only six months after the previous rise, with the possibility of another later this year, should cut UK underwriting losses. The market was relieved with the results and the share price rose 7p to 164p for a yield of 6.4 per cent.



AECI LIMITED
(Incorporated in the Republic of South Africa)

NOTICE TO PREFERENCE SHAREHOLDERS DIVIDEND NO. 82

Notice is hereby given that on 1 March 1979 the Directors of AECI Limited declared a dividend at the rate of 5 1/2% per annum for the six months ending 15 June 1979 payable on that date to holders of preference shares registered in the books of the Company at the close of business on 4 May 1979.

The dividend is declared in United Kingdom currency and warrants in payment will be posted from the offices of the transfer secretaries in South Africa and the United Kingdom on 12 June 1979.

Dividends payable from Johannesburg will be paid in South African currency at the rate of exchange ruling on 4 May 1979.

Any change of address or dividend instruction involving a change in the office of payment, if intended to apply to this dividend, must be received on or before 4 May 1979 and members must, where necessary, have obtained the approval of the South African Exchange Control Authorities and, if applicable, the approval of any other Exchange Control Authorities having jurisdiction in respect of such changes. Changes of address or dividend instructions to apply to this dividend which do not involve a change in the office of payment must be received not later than 1 June 1979.

In terms of the Republic of South Africa Income Tax Act 1962 (as amended) dividends payable to persons not ordinarily resident nor carrying on business in the Republic or to companies not registered nor carrying on business in the Republic are subject to deduction in respect of non-resident shareholders tax at the rate of 13.7025%.

With regard to warrants despatched from the United Kingdom office, United Kingdom income tax, at the basic rate less, where applicable, the appropriate double tax relief, will be deducted from the dividends paid except in cases where the holder's address and the address to which the dividend is sent are both outside the United Kingdom and in cases (if any) where the company has received from the Inspector of Foreign Dividends in Great Britain a certificate exempting the dividend from United Kingdom income tax.

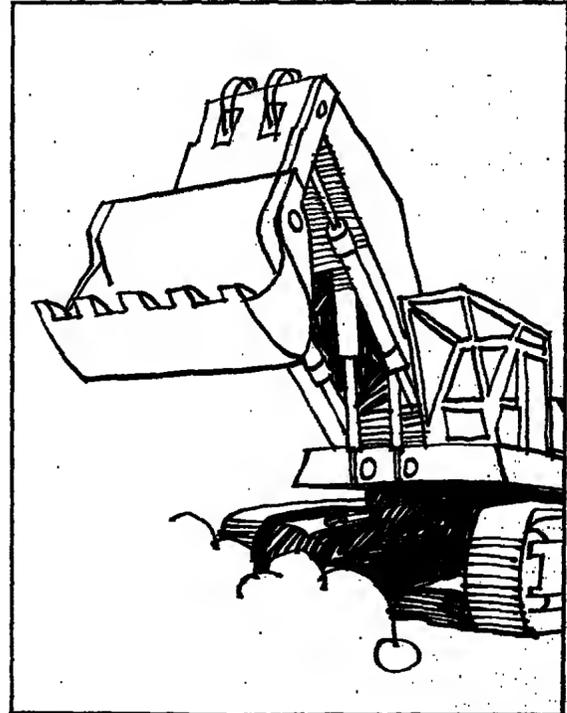
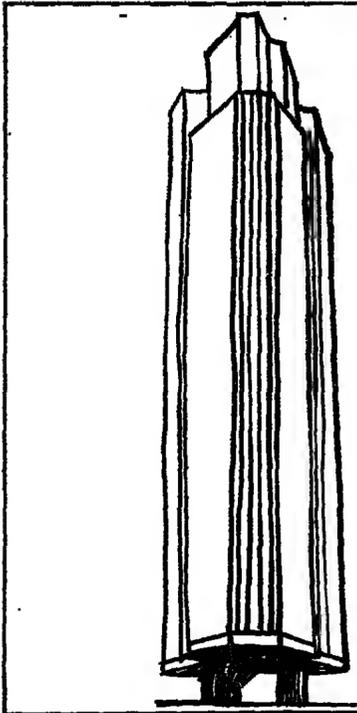
The transfer books and registers of members in Johannesburg and the United Kingdom will be closed from 5 May 1979 to 18 May 1979 both days inclusive.

Carlton Centre Johannesburg
12 April 1979

By order of the Board
J. J. Low Secretary

Transfer Secretaries:
Consolidated Share Registrars Limited
62 Marshall Street, Johannesburg 2001, and
Charter Consolidated Limited, Charter House,
Park Street, Ashford, Kent TN24 8EQ, England.

Scraping the sky and moving the earth



with BTR flexibility is strength

The prestige Nat West building in the City of London depends on BTR structural gaskets to ensure flexible strength throughout its 52 storeys. And in Germany, BTR hydraulic circuitry channels the power to move tons of rock and clay.

These are just two of the areas in which BTR products supply the world's key industries—energy, engineering, materials handling and transportation.

They in turn provide us with a secure base from which we shall continue our dynamic growth.



BTR Limited, Silvertown House, 1 Vincent Square, London SW1P 2PL.

Amended offer by

The Woodbridge Company Limited
and
Thomson Equitable (International) Limited

to holders of ordinary shares of

Hudson's Bay Company

to purchase 17,319,000 (75%) of the outstanding ordinary shares at a price of

\$37.00 (Canadian) per share

On 8th April The Woodbridge Company Limited and Thomson Equitable (International) Limited announced that they were amending their all-cash offer to purchase ordinary shares of Hudson's Bay Company ("Hudson's Bay"), so that it is now an all-cash offer to purchase on a pro rata basis 17,319,000 (75%) of the outstanding ordinary shares of Hudson's Bay at a price of \$37 (Canadian) per share. The offer was also amended to extend the time for acceptance until 5 p.m. local time on Tuesday, 17th April, 1979. The offer is not conditional on the deposit of any minimum number of shares.

The attention of ordinary shareholders of Hudson's Bay is drawn to the following extracts from press releases:

By the Hudson's Bay Board of Directors (8th April, 1979):
"Hudson's Bay Company announced today that its directors recommend that shareholders should accept the amended Thomson Offer for control of the Bay, rather than the amended Westco Offer.
The Company stated that, in the absence of any further amendments to either the Thomson offer or the Westco offer, all the directors and officers will tender all their shares under the Thomson offer."

By George Weston Limited (9th April, 1979):
"George Weston Limited announced today that it does not intend to make any change in its offer for shares of Hudson's Bay Company.
Because the Thomson Offer, which is unconditional, expires on April 17th and because our offer remains conditional, many shareholders will prefer to accept the Thomson Offer. As a result we suggest that shareholders who were considering tendering under either offer should now, in the absence of a better offer, tender their shares under the Thomson Offer."

Hudson's Bay shareholders who have already accepted the Thomson Offer need take no further action: they will be entitled to the amended offer. Hudson's Bay shareholders who now wish to accept the amended offer must complete the appropriate acceptance form and send it to The Royal Trust Company (at the address stated below) to arrive not later than 5 p.m. local time on Tuesday, 17th April, 1979. Additional copies of the offer documents and acceptance forms can be obtained during normal business hours on any weekday (Saturdays and public holidays excepted)

from
S. G. Warburg & Co. Ltd., 30 Gresham Street, London EC2P 2EB
Wood Gundy Limited, 30 Finsbury Square, London EC2A 1SB
The Royal Trust Company, Royal Trust House, 54 Jermyn Street, London SW1Y 6MG

17th April, 1979.

This advertisement is issued by S. G. Warburg & Co. Ltd. and Wood Gundy Limited who are making the Thomson Offer on behalf of The Woodbridge Company Limited and Thomson Equitable (International) Limited to ordinary shareholders of Hudson's Bay with registered addresses in the United Kingdom.

Lift Pound and dollar lose ground

Setting and the U.S. dollar lost ground in yesterday's foreign exchange markets, with the pound losing a much lower level in the morning. The dollar lost ground in the afternoon, after a slight recovery in the morning.

The pound opened at \$2.0097, down at 3 p.m. it was fairly steady at \$2.0072. Some after it fell to \$2.0053, but recovered to \$2.0072 at the close, a fall of 1/16.

The dollar was also weaker, finishing on or around its lowest level for the day. Against the Swiss franc it eased to 1.7440 from \$Fr. 1.7375. The dollar fell from DM 1.9888 to DM 1.9880, the D-mark on the London market.

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CURRENCIES, MONEY AND GOLD

THE POUND SPOT AND FORWARD. Table with columns: Day's spread, Close, One month, Three months, % p.a. Includes data for U.S., Canada, West Germany, Belgium, Denmark, Ireland, etc.

THE DOLLAR SPOT AND FORWARD. Table with columns: Day's spread, Close, One month, Three months, % p.a. Includes data for U.K., Ireland, Canada, West Germany, Belgium, Denmark, etc.

CURRENCY RATES and CURRENCY MOVEMENTS. Tables showing exchange rates and movements for various currencies like U.S. dollar, U.K. pound, etc.

OTHER MARKETS. Table showing rates for Argentina, Australia, Brazil, Canada, etc.

CHANGE CROSS RATES. Table showing cross rates between various currencies like U.S. dollar, U.K. pound, etc.

EURO-CURRENCY INTEREST RATES. Table showing interest rates for various currencies and terms.

Long-term Euro-dollar deposits, two years 10 1/2-10 3/4 per cent, three years 10 1/4-10 1/2 per cent, four years 10 1/4-10 1/2 per cent, five years 10 1/4-10 1/2 per cent.

European interest rates remained very steady yesterday, with the one-month rate for the pound unchanged at 7 1/4 per cent.

PARIS — Day-to-day money rose to 6 1/2 per cent from 6 1/4 per cent, and one-month to 6 1/4 per cent from 6 1/4 per cent.

FRANKFURT — Call money was quoted at 5 1/2-5 3/4 per cent, compared with 5 1/4-5 1/2 per cent yesterday.

With day-to-day credit in short supply, the authorities lent a small amount overnight, and a modest amount for seven days.

Government disbursements over revenue payments to the Exchange, a fairly large adverse factor was the demand for Exchange II per cent 1981.

DISCOUNT HOUSES — The money market was easy, with call money at 9 1/2 per cent, and overnight at 9 per cent.

Gold traded steadily in the London bullion market yesterday until the opening of U.S. centres.

SHORTLY BEFORE THE METAL HAD BEEN QUOTED AT AROUND \$238 1/2 per ounce, it fell to \$236 1/2 before closing at \$236 1/2, a loss of \$2 1/2 an ounce.

IN PARIS THE 12 1/2-KILO BAR WAS FIXED AT FR 33,900 per kilo (\$242.13 per ounce) compared with FR 33,975 (\$242.14) in the morning and FR 33,900 (\$242.36) on Tuesday morning.

IN FRANKFURT THE 12 1/2-KILO BAR WAS FIXED AT DM 14,630 per kilo (\$239.73 per ounce) against DM 14,610 (\$239.78) previously.

Rustenburg Platinum Holdings Limited. Logo and company name.

Consolidated interim report for the six months ended 28th February 1979

Consolidated Income Statement. Table showing financial data for the six months ended 28th February 1979. Includes sections for Net operating profit, Operating profit, Profit before taxation, etc.

While the volume of platinum sales during the six months under review was some 10% higher than the corresponding period in the previous year, the higher prices achieved during the last six months were the principal reason for the substantial improvement in profits.

As reported in the 1978 Director's Review, the negotiations undertaken to restore the profitability of our sales of metal to Engelhart Minerals and Chemicals Corporation for use by an automobile company were successfully concluded and resulted in an additional \$5.69 million during the last financial year.

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THE PHILIPPINE INVESTMENT COMPANY S.A. Net Assets Value as of April 1st, 1979.

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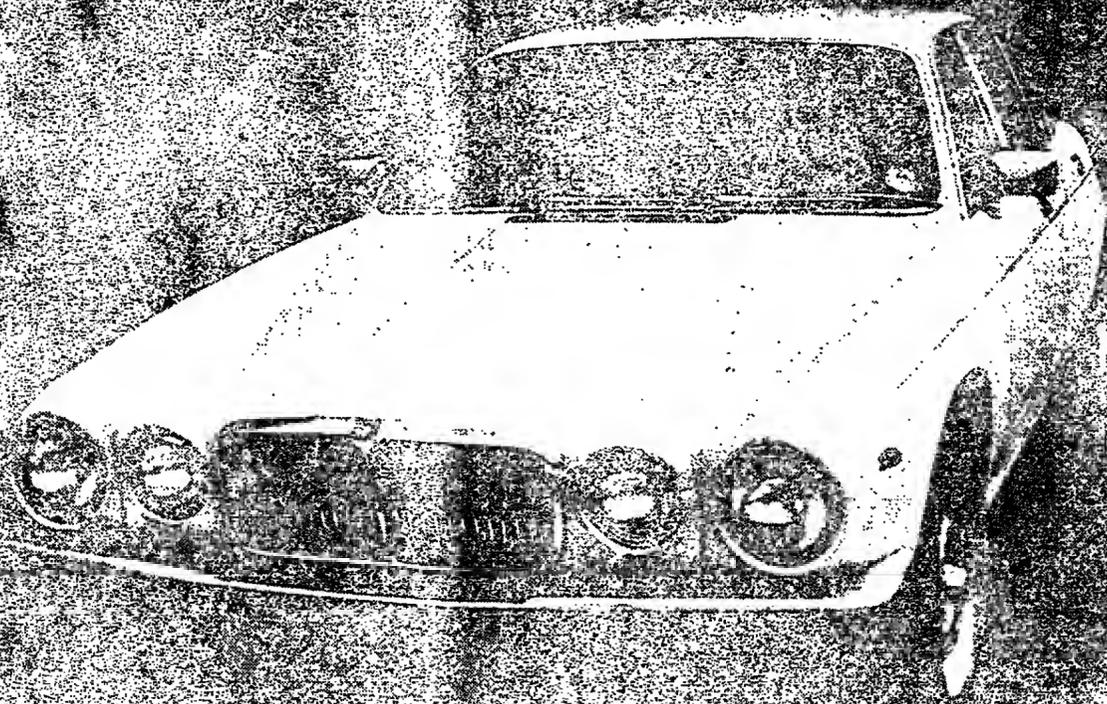
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Jaguar Rover Triumph Ltd

Welcome.



The latest Jaguar: The XJ Series III.

JAGUAR

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MORE STYLE, MORE EQUIPMENT, MORE OPTIONS, MORE JAGUAR. AVAILABLE AS XJ 3.4, XJ 4.2 FUEL INJECTION AND XJ 5.3 V12.

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Good s
Strong
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INTERNATIONAL COMPANIES and FINANCE

Companies and Markets

NORTH AMERICAN NEWS

Sharp acceleration in pace of growth at GE

BY JOHN WYLES IN NEW YORK

GENERAL ELECTRIC COMPANY'S rate of earnings growth accelerated in the first quarter despite widespread expectations of a slowdown. After an eight per cent profit gain in last year's fourth quarter and a 12 per cent advance for the year, GE has picked off 1979 with a 22 per cent increase in net income over last year's first three months. This was a higher increase than was achieved in any of last year's four quarters, and is better than many analysts expected. But it reflects, among other things, greater strength in many of GE's markets than had been anticipated. Mr. Reginald Jones, GE's chairman, said yesterday that the first quarter figures were due principally to higher sales on which strong operating margin rates were maintained. He added that higher interest earnings together with a somewhat reduced federal income tax rate also helped.

First quarter net income was \$303.4m or \$1.33 per share compared with \$247.5m or \$1.09 per share. Sales rose 14 per cent to \$5,088m. Mr. Jones remained confident yesterday that GE's 1979 results would be higher than last year's \$5.39 per share, but warned that the company's economists continue to forecast a slowdown in the U.S. economy in the second half. Turning to the various segments of GE's business, Mr. Jones said consumer products and services enjoyed good sales increases and yielded earnings well ahead of last year. In addition, GE's non-consolidated finance affiliate, General Electric Credit Corporation raised its earnings 21 per cent to \$19.6m. Sales and earnings on industrial products were higher, while power systems earnings increased on sales similar to last year's. Mr. Jones said that substantial increases in aircraft engine sales and earnings helped technical systems and materials to a sharp improvement in earnings. Higher prices from the company's Canadian copper operations largely accounted for an increase in the natural resources division's earnings from \$48m to \$51.8m.

At Control Data Corporation, the first quarter brought a gain of 60.1 per cent to \$24.6m in net earnings, with sales 18.7 per cent higher at \$717.1m. Mr. William C. Norris, chairman, said that both the computer business and financial services contributed to the gains in revenue and earnings. Agencies

Good start for computer groups

THREE MAJOR computer industry groups yesterday reported significant increases in profits in the first quarter of this year. International Business Machines (IBM), the world's largest manufacturer of business machines, pushed earnings ahead by 13 per cent to \$668.8m in the first quarter, or from \$401.1 to \$457.8 a share. Gross income rose by 19.4 per cent to \$528m. The second quarter should also produce good earnings, Mead said. For the second quarter of last year earnings were \$31.5m, on sales of \$590.6m. The company attributed the gains in the first quarter to continued improvement in operations, as well as to the strength of the economy. Improvements in the world pulp market and strong demand for paper, packaging products

and lumber were significant factors in producing the higher earnings, according to Mead. Fully diluted earnings — amounting to \$1.12, against 75 cents, in the first quarter — were a better guide than primary to the trend in earnings per share, Mead said, because about 70 per cent of the company's convertible preferred shares outstanding at the beginning of 1978 had been converted voluntarily to common shares or were repurchased last year.

year. Sales in the first quarter rose by 16.8 per cent to \$590.5m. At Control Data Corporation, the first quarter brought a gain of 60.1 per cent to \$24.6m in net earnings, with sales 18.7 per cent higher at \$717.1m. Mr. William C. Norris, chairman, said that both the computer business and financial services contributed to the gains in revenue and earnings. Agencies

Strong gain in Mead income

MEAD CORPORATION, the forest products company which was the target of an unsuccessful \$1bn take-over bid by Occidental Petroleum last year, raised its net income for the first quarter of 1979 by 46.3 per cent to \$30.37m, or \$1.17 a share, from \$20.76m, or 85 cents, in the first quarter last year. The profits growth was considerably faster than that in revenue — with sales increasing by 18.5 per cent to \$618.8m

from \$528m. The second quarter should also produce good earnings, Mead said. For the second quarter of last year earnings were \$31.5m, on sales of \$590.6m. The company attributed the gains in the first quarter to continued improvement in operations, as well as to the strength of the economy. Improvements in the world pulp market and strong demand for paper, packaging products

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Increase in first quarter at J. P. Morgan

By David Scallies in New York

J. P. MORGAN, parent of Morgan Guaranty, yesterday reported a 16.5 per cent rise in earnings in the first quarter, from \$59.8m on \$1.46 per share to \$69.4m on \$1.70. Most of the increase came from a rise in net interest earnings, from \$172.7m to \$206.2m. Due to a rise in interest-bearing assets from \$25.1bn to \$29.8bn, most of it foreign and domestic loans, and deposits at banks. Provision for possible credit losses during the quarter was \$7.1m, down from \$10.5m last year. Net losses from securities transactions were \$9.2m. The San Francisco-based Bancal Tri-State reported a rise in operating income from \$4.48m to \$4.73m, or from 82 cents a share to 95 cents fully diluted. After securities transactions, the California bank had net income of \$4.57m or 92 cents a share against \$4.54m or 82 cents a share.

RESULTS IN BRIEF Improvement at United Technologies NEW YORK — Net earnings for United Technologies for the first quarter improved substantially to \$70.83m from \$52.95m. Sales for the aviation and electrical equipment manufacturer moved in \$1.79bn from a corresponding \$1.47bn. Per share earnings rose to \$1.34 from \$1.14. The company's backlog at the end of the quarter totalled \$9.2bn, an increase of 34 per cent. Earnings per share for the sweet manufacturer Russell Stover Candies improved to \$1.90 from \$1.44 for the first quarter, whereas a drop in earnings was experienced by the Federal National Mortgage Association (Fannie Mae) with 70 cents per share compared with 96 cents. The specialist steels manufacturer, Copperwell Corporation, more than doubled its earnings per share in the first quarter with \$1.25 compared with 61 cents. Agencies

INTERNATIONAL CAPITAL MARKETS

Treasury bond yields at peak levels

BY OUR NEW YORK STAFF

FEARS OF an imminent tightening in monetary policy have pushed the yield on a new 15-year U.S. Treasury bond issue to a record level for a long term government security. The slide in the credit markets which began last Friday has accelerated this week in anticipation that the Federal Reserve Board's open market committee will decide next Tuesday to raise short term money market rates for the first time in more than three months. Reports that the Administration favours this move because of signs that the economy is overheating in the midst of high inflation are also heightening fears of a recession on Wall Street. Against this background, the Treasury disclosed late on Tuesday that its sale of \$1.5bn 15-year bonds produced an average yield of 9.14 per cent. In secondary trading, the bonds have slipped slightly in price to raise the yield even further. Wall Street now expects the Fed to raise the target on the economy's key short term interest rate, the Fed funds rate, from 10 per cent. But opinion is divided as to how high the Fed will go in setting a new rate on the overnight funds lent between banks. Some economists, who take the view proffered on Tuesday by Mr. Michael Blumenthal, the Treasury Secretary, that the economy needs to be cooled down, argue the case for a substantial increase in the Fed

funds rate of half a per cent or more. Others, however, think it unlikely that the Fed will opt for more than a quarter per cent because of the consistently cautious approach favoured by the central bank for more than a year. Dr. Bill Griggs, of J. Henry Schroder Bank and Trust Company, said yesterday that the first quarter growth rate would be less than half the 7.1 per cent of last year's fourth quarter, and that this evidence that the economy is already slowing will make the Fed anxious to avoid sparking off a full-scale recession. Business had clearly built up inventories in the first quarter, said Dr. Griggs, but not to the start of next year's presidential election campaign.

spending was clearly weakening, and the rate of housebuilding was also coming down. This was likely to produce the "soft landing" which the Administration desires, said Dr. Griggs, which meant that the economy would grow much more slowly. Among other things, the Treasury is said to be worried that a capital spending boom is getting under way, although some private economists claim this is not the case. They add that at least half of Mr. Blumenthal's battle for higher interest rates is aimed at reigning in the economy, and even risking a recession, within the next few months rather than at the start of next year's presidential election campaign.

International Paper profits soar

By Our New York Staff

PRICE INCREASES, coupled with strong demand for a broad range of its products, have carried International Paper, the world's largest papermaker, to a 7.6 per cent increase in first quarter operating profits. Thus IP is continuing to enjoy the earnings recovery which became evident last year. On a strict quarter-to-quarter comparison, profits in the first three months of the year rose from \$37.9m or \$1.23 per share to \$55.5m on \$1.79 per share. However, a gain of \$9m realised from the sale of a pulp and paper complex and associated woodlands in Florida swelled the quarter's profits to \$180.5m or \$3.78 per share. Sales rose 8.8 per cent from \$924m to \$1,066m. The profits total included \$2.9m from the oil and gas operations of IP's subsidiary General Crude Oil which has been sold to Mobil Oil Corporation for \$800m. It also included \$15m gains from land transactions. Mr. J. Stanford Smith, the company's chairman and chief executive officer, reported yesterday that orders were particularly strong for white papers, chemical cellulose, paper pulp, industrial papers, bags and sacks, corrugated containers and bleached board.

Further falls in Eurobonds

BY JOHN EVANS

INTEREST RATES pushed up sharply in Eurodollar interbank trading for the second day running, resulting in further price falls yesterday in the Eurodollar bond market. Six-month Eurodollar deposit rates rose at one point to 11 1/2 per cent, their highest in some weeks, helping to aggravate negative carrying costs in dollar bonds. Bond analysts believe that inflationary pressures in the U.S. economy may result in further credit-tightening decisions from the Federal Reserve's open market committee when it meets next week. The latest surge in Eurodollar rates is anticipated a rise of at least 4 to 4 1/2 percentage point in the Federal Funds rate, and the view is gaining ground in Europe that U.S. interest rates may be heading for their last big upward push before peaking out later this year. However, not all market participants are sure that a further sharp rise in U.S. interest rates is inevitable. The U.S. authorities will be wary that excessive monetary policies could provoke a harsh domestic recession. In Eurodollar bonds, prices eased by between 1/2 and 1 point. The \$100m EDF offering at par, which broke for trading last week, drifted down to 99-9/4 from a recent high of 99-1/2.

An additional source of selling came from investors taking profits accrued during the recent period of price appreciation. The two-tranche Canadian dollar issue from the Royal Bank of Canada performed well, with heavy oversubscription reported for the shorter maturity. The C\$40m seven-year 10 per cent bonds were priced at 100 1/2 to yield 9.90 per cent, while the C\$40m 15-year 10 per cent tranche was priced at par. Other sectors were quiet yesterday, although rumours continued to circulate that a borrower is lined up to tap the Eurosterling market shortly. Deutsche-Mark international issues were easier. Among new bonds entering the secondary market, the DM 150m ECSC offering, priced at par and bearing 7 per cent, drifted 1/2 point lower to 99-1/4.

The SDR 50m five-year note issue for Finland has been priced at 99 1/2, bearing 8 1/2 per cent, syndicate manager Credit Suisse First Boston said. In the Yankee bond market, the \$200m 9 1/2 per cent Kingdom of Sweden notes were due for offering in New York yesterday, at 99 1/2 to yield 9 1/2 per cent. This is equal to 9.86 per cent, calculated on a yield basis using an Eurodollar Bonds Index. The issue from the Royal Bank of Canada performed well, with heavy oversubscription reported for the shorter maturity. The C\$40m seven-year 10 per cent bonds were priced at 100 1/2 to yield 9.90 per cent, while the C\$40m 15-year 10 per cent tranche was priced at par. Other sectors were quiet yesterday, although rumours continued to circulate that a borrower is lined up to tap the Eurosterling market shortly. Deutsche-Mark international issues were easier. Among new bonds entering the secondary market, the DM 150m ECSC offering, priced at par and bearing 7 per cent, drifted 1/2 point lower to 99-1/4.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month. Closing prices on April 11

Table with columns for U.S. DOLLAR, STRAIGHTS, CONVERTIBLE, and other bond categories. Includes columns for Issued, Bid, Offer, Change, and Yield.

AMERICAN QUARTERLIES

Table listing quarterly earnings for various American companies like Abbott Labs, ACQUINA, and others. Columns include Company Name, 1979, and 1978.

Advertisement for Philips N.V. Philips' Gloeilampenfabrieken. Includes text about the Board of Management and AGENDA for the Annual Accounts for 1978.

Advertisement for Philips N.V. Gemeenschappelijk Bezit van Aandeelen Philips' Gloeilampenfabrieken. Includes text about the Board of Governors and AGENDA for the Annual Accounts for 1978.

INTERNATIONAL COMPANIES and FINANCE

IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

In the Matter of PENN CENTRAL TRANSPORTATION COMPANY, Debtor. In Proceedings for the Reorganization of a Railroad. Debtor 70-347

NOTICE OF EXCHANGE AND AVAILABILITY OF NEW SECURITIES OF THE PENN CENTRAL CORPORATION

Pursuant to Orders entered by the United States District Court for the Eastern District of Pennsylvania (Reorganization Court), the Plan of Reorganization (Plan) for Penn Central Transportation Company became effective on October 24, 1978 (Consummation Date), at which time the name of Penn Central Transportation Company was changed to The Penn Central Corporation. First Pennsylvania Bank N.A., and its agent, Fund/Plan Services, Inc., Philadelphia, Pennsylvania has been named Exchange Agent for the purpose of distributing cash and securities of The Penn Central Corporation to the claimants entitled thereto pursuant to the Plan. At the same time, the Reorganization Court directed that no distribution be made to holders of certain bonds which were the subject of appeals which had been filed by the trustees under the indentures securing such bonds. For those appeals which have now been finally resolved the Reorganization Court has directed that distribution of cash and securities should commence after March 27, 1979.

BONDS NOW ELIGIBLE TO BE EXCHANGED

Holders of the following bonds will, upon surrender of such bonds, be entitled to receive cash and securities of The Penn Central Corporation in accordance with the Plan:

- New York Central and Hudson River Railroad Lake Shore Collateral Trust 3 1/2% Bonds due February 1, 1988;
- New York Central and Hudson River Railroad Consolidation Mortgage 4% Series A Bonds due February 1, 1988;
- New York Central Railroad 6% Collateral Trust Bonds due April 15, 1980;
- Penn Central 6 1/2% Collateral Trust Bonds due April 15, 1983;
- Mohawk and Malone Railway First Mortgage 4% Bonds due September 1, 1991.

EXCHANGE PROCEDURES

A Letter of Transmittal with instructions for surrendering any of the above listed securities of Penn Central Transportation Company in exchange for cash and securities of The Penn Central Corporation has been mailed to each holder of these securities as of March 27, 1979, whose address was known. These documents were not mailed to many holders whose addresses are unknown, or whose identities are not known because their securities are in bearer form. If you own any of the securities listed above and you have not received a Letter of Transmittal, you may obtain a copy by completing the form below and mailing it to the Exchange Agent. Separate Letters of Transmittal must be submitted for each Penn Central Transportation Company bond issue you surrender for exchange.

SPECIAL NOTICE CONCERNING BONDS NOT TO BE ACCEPTED FOR EXCHANGE AT THIS TIME

There is a possibility that the treatment under the Plan for the following bonds will be the subject of further judicial review:

- New York Central and Hudson River Railroad Refunding and Improvement Mortgage 4 1/2% Series A Bonds and 5% Series C Bonds due October 1, 2013;
- New York Central and Hudson River Railroad Michigan Central Collateral 3 1/2% Bonds due February 1, 1988.

The Reorganization Court has not authorized distributions to holders of these bonds. The Court has reserved jurisdiction to authorize and direct the distribution of whatever amounts of cash and securities to which such bondholders are ultimately determined to be entitled as a result of the appeals or proceedings on remand after the appeals. Consequently, at this time the Exchange Agent will not accept any of these securities for exchange. If you deliver for exchange any of these bonds, the Exchange Agent will return the bonds to you.

First Pennsylvania Bank N.A. c/o Fund/Plan Services, Inc. P.O. Box 3717 Philadelphia, PA 19101

Please send a Letter of Transmittal with instructions in respect to the Plans of Reorganization for Penn Central Transportation Company, Debtor, to:

Name _____ (PLEASE PRINT)
 Street _____
 City _____ State _____ Zip Code _____
 Name of Bond _____

NOTICE OF REDEMPTION to Holders of

GENERAL CABLE OVERSEAS N.V.

8 1/2% Guaranteed Bonds 1979/87

NOTICE IS HEREBY GIVEN that pursuant to Section 5 (a) of the terms and conditions of the Issue whereby \$50,000 principal are to be redeemed at par on 15th May 1979 the following Bond serial numbers have been drawn for redemption in the presence of a Notary Public, at a price equal to 100% of the principal face amount.

BONDS OF \$5,000 EACH

31	1499	2968	4437	5906	7375	8844	10313	11782	13251	14720	16189	17658	19127	20596	22065	23534	25003	26472	27941	29410	30879	32348	33817	35286	36755	38224	39693	41162	42631	44100	45569	47038	48507	50076	51545	53014	54483	55952	57421	58890	60359	61828	63297	64766	66235	67704	69173	70642	72111	73580	75049	76518	77987	79456	80925	82394	83863	85332	86801	88270	89739	91208	92677	94146	95615	97084	98553	100022	101491	102960	104429	105898	107367	108836	110305	111774	113243	114712	116181	117650	119119	120588	122057	123526	124995	126464	127933	129402	130871	132340	133809	135278	136747	138216	139685	141154	142623	144092	145561	147030	148499	149968	151437	152906	154375	155844	157313	158782	160251	161720	163189	164658	166127	167596	169065	170534	172003	173472	174941	176410	177879	179348	180817	182286	183755	185224	186693	188162	189631	191100	192569	194038	195507	196976	198445	199914	201383	202852	204321	205790	207259	208728	210197	211666	213135	214604	216073	217542	219011	220480	221949	223418	224887	226356	227825	229294	230763	232232	233701	235170	236639	238108	239577	241046	242515	243984	245453	246922	248391	249860	251329	252798	254267	255736	257205	258674	260143	261612	263081	264550	266019	267488	268957	270426	271895	273364	274833	276302	277771	279240	280709	282178	283647	285116	286585	288054	289523	290992	292461	293930	295399	296868	298337	299806	301275	302744	304213	305682	307151	308620	310089	311558	313027	314496	315965	317434	318903	320372	321841	323310	324779	326248	327717	329186	330655	332124	333593	335062	336531	337900	339369	340838	342307	343776	345245	346714	348183	349652	351121	352590	354059	355528	356997	358466	359935	361404	362873	364342	365811	367280	368749	370218	371687	373156	374625	376094	377563	379032	380501	381970	383439	384908	386377	387846	389315	390784	392253	393722	395191	396660	398129	399598	401067	402536	404005	405474	406943	408412	409881	411350	412819	414288	415757	417226	418695	420164	421633	423102	424571	426040	427509	428978	430447	431916	433385	434854	436323	437792	439261	440730	442199	443668	445137	446606	448075	449544	451013	452482	453951	455420	456889	458358	459827	461296	462765	464234	465703	467172	468641	470110	471579	473048	474517	475986	477455	478924	480393	481862	483331	484800	486269	487738	489207	490676	492145	493614	495083	496552	498021	499490	500959	502428	503897	505366	506835	508304	509773	511242	512711	514180	515649	517118	518587	520056	521525	522994	524463	525932	527401	528870	530339	531808	533277	534746	536215	537684	539153	540622	542091	543560	545029	546498	547967	549436	550905	552374	553843	555312	556781	558250	559719	561188	562657	564126	565595	567064	568533	570002	571471	572940	574409	575878	577347	578816	580285	581754	583223	584692	586161	587630	589099	590568	592037	593506	594975	596444	597913	599382	600851	602320	603789	605258	606727	608196	609665	611134	612603	614072	615541	617010	618479	619948	621417	622886	624355	625824	627293	628762	630231	631700	633169	634638	636107	637576	639045	640514	641983	643452	644921	646390	647859	649328	650797	652266	653735	655204	656673	658142	659611	661080	662549	664018	665487	666956	668425	669894	671363	672832	674301	675770	677239	678708	680177	681646	683115	684584	686053	687522	688991	690460	691929	693398	694867	696336	697805	699274	700743	702212	703681	705150	706619	708088	709557	711026	712495	713964	715433	716902	718371	719840	721309	722778	724247	725716	727185	728654	730123	731592	733061	734530	735999	737468	738937	740406	741875	743344	744813	746282	747751	749220	750689	752158	753627	755096	756565	758034	759503	760972	762441	763910	765379	766848	768317	769786	771255	772724	774193	775662	777131	778600	780069	781538	783007	784476	785945	787414	788883	790352	791821	793290	794759	796228	797697	799166	800635	802104	803573	805042	806511	807980	809449	810918	812387	813856	815325	816794	818263	819732	821201	822670	824139	825608	827077	828546	830015	831484	832953	834422	835891	837360	838829	840298	841767	843236	844705	846174	847643	849112	850581	852050	853519	854988	856457	857926	859395	860864	862333	863802	865271	866740	868209	869678	871147	872616	874085	875554	877023	878492	879961	881430	882899	884368	885837	887306	888775	890244	891713	893182	894651	896120	897589	899058	900527	901996	903465	904934	906403	907872	909341	910810	912279	913748	915217	916686	918155	919624	921093	922562	924031	925500	926969	928438	929907	931376	932845	934314	935783	937252	938721	940190	941659	943128	944597	946066	947535	949004	950473	951942	953411	954880	956349	957818	959287	960756	962225	963694	965163	966632	968101	969570	971039	972508	973977	975446	976915	978384	979853	981322	982791	984260	985729	987198	988667	990136	991605	993074	994543	996012	997481	998950	1000429	1001898	1003367	1004836	1006305	1007774	1009243	1010712	1012181	1013650	1015119	1016588	1018057	1019526	1020995	1022464	1023933	1025402	1026871	1028340	1029809	1031278	1032747	1034216	1035685	1037154	1038623	1040092	1041561	1043030	1044499	1045968	1047437	1048906	1050375	1051844	1053313	1054782	1056251	1057720	1059189	1060658	1062127	1063596	1065065	1066534	1068003	1069472	1070941	1072410	1073879	1075348	1076817	1078286	1079755	1081224	1082693	1084162	1085631	1087100	1088569	1090038	1091507	1092976	1094445	1095914	1097383	1098852	1100321	1101790	1103259	1104728	1106197	1107666	1109135	1110604	1112073	1113542	1115011	1116480	1117949	1119418	1120887	1122356	1123825	1125294	1126763	1128232	1129701	1131170	1132639	1134108	1135577	1137046	1138515	1139984	1141453	1142922	1144391	1145860	1147329	1148798	1150267	1151736	1153205	1154674	1156143	1157612	1159081	1160550	1162019	1163488	1164957	1166426	1167895	1169364	1170833	1172302	1173771	1175240	1176709	1178178	1179647	1181116	1182585	1184054	1185523	1186992	1188461	1189930	1191399	1192868	1194337	1195806	1197275	1198744	1200213	1201682	1203151	1204620	1206089	1207558	1209027	1210496	1211965	1213434	1214903	1216372	1217841	1219310	1220779	1222248	1223717	1225186	1226655	1228124	1229593	1231062	1232531	1234000	1235469	1236938	1238407	1239876	1241345	1242814	1244283	1245752	1247221	1248690	1250159	1251628	1253097	1254566	1256035	1257504	1258973	1260442	1261911	1263380	1264849	1266318	1267787	1269256	1270725	1272194	1273663	1275132	1276601	1278070	1279539	1281008	1282477	1283946	1285415	1286884	1288353	1289822	1291291	1292760	1294229	1295698	1297167	1298636	1300105	1301574	1303043	1304512	1305981	1307450	1308919	1310388	1311857	1313326	1314795	1316264	1317733	1319202	1320671	1322140	1323609	1325078	1326547	1328016	1329485	1330954	1332423	1333892	1335361	1336830	1338299	1339768	1341237	1342706	1344175	1345644	1347113	1348582	1350051	1351520	1352989	1354458	1355927	1357396	1358865	1360334	1361803	1363272	1364741	1366210	1367679	13
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INTERNATIONAL COMPANIES and FINANCE

JAPANESE SHIPBUILDING RECONSTRUCTION

Hakodate Dock leads assets sale

BY YOKO SHIBATA IN TOKYO

HAKODATE DOCK, the medium-sized shipbuilder based in Hokkaido, has become the first Japanese shipbuilder to apply to the Government-funded Business Stabilisation Foundation for the sale of a large part of its shipbuilding facilities.

allotted about ¥290bn (\$1.8bn) to be used to scrap facilities, bought at book value, and to acquire land at market related prices.

Hakodate, now under financial reconstruction with the help of Fuji Bank and Hokkaido Takushoku Bank is offering the sale of 300,000 tonnes of capacity in facilities and about 230,000 square metres of land, or 60 per cent of the shipbuilding compound. It hopes to gain about ¥18.8bn from the sale.

registered operating deficits of ¥12.5bn and net deficits of ¥13.7bn on sales of ¥33.9bn in 1977-78 and estimates an operating deficit of ¥7bn and a net deficit of ¥10bn, with sales of ¥40bn, for the year ended this March. The substantial reduction in sales by 1980-81 (less than half this for 1978-79) is largely because of disposal of building facilities.

Malleys and Simpson agree to merge

By James Forth in Sydney

THE AUSTRALIAN appliance group Simpson Pope and Malleys plan an A\$18.3m (US\$20.56m) merger, which will cap recent rationalisation moves within the white goods industry. The merger was foreshadowed last week when Simpson revealed that it had built up a holding of 25 per cent of the capital in Malleys through purchases on the stockmarket over the past two months.

Simpson paid up to A\$1.00 a share in Malleys to make a formal offer of A\$1.20 cash a share for the remaining capital. The directors of Malleys consider the price attractive and plan to recommend acceptance.

The proposed Simpson-Malleys merger will give the combined company more than 60 per cent of the national washing machine market and a dominant position in driers and stoves. Email-Kelvinator will lead the refrigerator market.

Whirlpool Corporation of the U.S. holds a 17 per cent stake in Malleys, which is a licensee of the U.S. concern. Whirlpool executives are understood to be in favour of the Simpson deal.

BOND MARKETS

Japan more flexible

BY RICHARD C. HANSON IN TOKYO

THE MINISTRY of Finance is expected to give approval for foreign bond issues by Japanese companies on a monthly basis instead of quarterly, to allow more flexibility in the issue programme.

Starting from July, issue approval will be given about a month-and-a-half ahead. In the past, approval for the full quarter was given about two months in advance.

DISINVESTMENT IN INDIA

Avery offer to public

BY K. K. SHARMA IN NEW DELHI

AVERY INDIA has completed plans to reduce its foreign ownership, by bringing the overseas shareholding of just over 60 per cent down to 40 per cent, to comply with the requirements of the Foreign Exchange Regulation Act (FERA).

Of the shares to be issued, 100,000 will be reserved for Indian employees and business associates. The rest will be offered to the public by prospectus. The shares to be disinvested by Avery UK will be offered to Indian shareholders by way of a rights issue on a one-for-six basis.

AIR TANZANIA Air Tanzania Corporation US\$23,970,000 Ten Year Term Loan. The National Bank of Commerce, United Republic of Tanzania. BankAmerica International Group, Bank of America NT & SA, American Express International Banking Corporation, Bank of India, UBAF Bank Limited, PKBanken International (Luxembourg) S.A., EDESA International Finance Company.

Twin issues by Bombay Tyres. BOMBAY TYRES International, formerly known as Firestone Tire and Rubber Company of India, plans to reduce its foreign holding to 74 per cent by the issue of 1.17m equity shares of Rs10 each at par, to Indian nationals.

Kiwi forecasts record year. KIWI INTERNATIONAL, the household and shoe cleaning products group, raised its profit more than 35 per cent from A\$2.0m (U.S.\$ 2.9m) in the six months to February 28. The directors have raised the interim dividend from 3.5 cents a share to four cents. Last year the company paid a final of 4.5 cents, making a total for the year of eight cents.

"The overall results achieved by the Group in 1978 have placed Hutchison Whampoa Limited in an enviably strong position." W. R. A. Wyllie, Deputy Chairman and Chief Executive. * Profit before extraordinary items—up 26 per cent from HK\$182.9 million to HK\$230.9 million.

Hutchison HUTCHISON WHAMPOA LIMITED

Notice of Redemption Nippon Electric Company, Limited 7 1/2 % Guaranteed Sinking Fund Debentures Due 1981. NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of May 15, 1969, under which the above described Debentures were issued, Citibank, N.A., as Trustee, has drawn by lot, for redemption on May 15, 1979, through the operation of the sinking fund provided for in said Indenture, \$1,000,000 principal amount of Debentures of said issue of the following distinctive numbers:

STATE BANK OF INDIA Singapore Branch U.S.\$10,000,000 NEGOTIABLE FLOATING RATE CERTIFICATES OF DEPOSIT DUE OCTOBER 1981. In accordance with the provisions of the Certificates, notice is hereby given that for the six months interest period from 12th April, 1979, to 12th October, 1979, the Certificates will carry an Interest Rate of 11 1/2% per annum.

The Debentures specified above are to be redeemed for said sinking fund at the SBD-Multinational Securities-2nd Floor of Citibank, N.A., 111 Wall Street, in the Borough of Manhattan, The City of New York, State of New York, the main offices of Citibank, N.A. in Amsterdam, Netherlands and Milan, Italy, The Chase Manhattan Bank (National Association) in Paris, France and Frankfurt/Main, Germany; The Bank of Tokyo, Ltd., London, England and Brussels, Belgium and at Kredietbank S.A., Luxembourg, as the Company's paying agents, and will become due and payable UPON PRESENTATION AND SURRENDER THEREOF on May 15, 1979, at the redemption price of 100 per cent of the principal amount thereof plus accrued interest on said principal amount to such date. On and after such date, interest on said Debentures will cease to accrue.

Jesup & Lamont Holding Co. has acquired the principal assets of Cincinnati Fan & Ventilator Co. (Cincinnati, Ohio). Debt financing was provided by Manufacturers Hanover Trust Company, Airque Management, and a group of European investors organized by Jesup & Lamont.

THE DEVELOPMENT BANK OF SINGAPORE LIMITED Agent Bank 10th April, 1979. Weekly net asset value on April 9th 1979 Tokyo Pacific Holdings N.V. U.S. \$61.59 Tokyo Pacific Holdings (Seaboard) N.V. U.S. \$44.88 Listed on the Amsterdam Stock Exchange.

damson OIL CORPORATION has acquired through merger Merchants Petroleum Company. The undersigned acted as financial advisor to Damson Oil Corporation in this transaction. Donaldson, Lufkin & Jenrette April 12, 1979

Companies and Markets

WORLD STOCK MARKETS

Early Wall St. fall on IBM earnings report

INVESTMENT DOLLAR PREMIUM... Effective \$2.070 24 1/2 (23 1/2) %... Worries about the outlook for interest rates and a discouraging profit statement from IBM caused a sharp early reaction yesterday on Wall Street in active trading, after the stock...

increase, IBM declined \$6 to \$34... Burroughs lost 1 1/2 to \$70... Control Data is to \$34 and NCR 1 to \$65... All three, however, reported improved first-quarter results...

Construction and Chemicals were the only sectors to show clear gains, with Rhône-Poulenc up 4 3/4 to FF 122.50 following its announcement on Tuesday of reduced losses to its textile division...

Indices

NEW YORK - DOW JONES table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

STANDARD AND POORS table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

Y.E.S. ALL COMMON table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

MONTREAL table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

TORONTO table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

JOHANNESBURG table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

AUSTRALIA table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

STOCKHOLM table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

OSLO table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

PARIS table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

BRUSSELS/LUXEMBOURG table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

AMSTERDAM table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

COPENHAGEN table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

VIENNA table with columns for April 10, 11, 12, 1979, and High/Low/Change. Includes Industrial, Composite, and Bond indices.

NEW YORK Stock table with columns for Apr 10, 11, 12, 1979, and High/Low/Change. Lists various stocks like IBM, GE, and Ford.

CANADA Stock table with columns for Apr 10, 11, 12, 1979, and High/Low/Change. Lists various Canadian stocks like Alcan and Inco.

Germany Most shares, after the market's recent decline, held fairly steady yesterday in further light trading... The DAX index edged up 0.2 to 280.2.

Switzerland Prices moved generally higher on active demand despite weaker news from the Bund... The volume leader was Oerlikon-Buehrle, which advanced 5 1/2 to Sfr 2,605.

Hong Kong Shares finished mixed to easier today after causing some profit-taking... The Hang Seng index closed at 1,215.50.

Japan Prices moved generally higher on active demand despite weaker news from the Bund... The Nikkei index closed at 17,125.50.

EUROPEAN OPTIONS EXCHANGE table with columns for Series, Vol., Last, and Stock. Lists various options contracts.

BASE LENDING RATES table with columns for Bank, Rate, and Term. Lists various banks and their lending rates.

Financial Times Rand U.S. \$78 (Discount of 33.6%)

COMMODITIES and AGRICULTURE

Tory attack on Germany's domination of farm policy

BY CHRISTOPHER PARKES

WEST GERMAN domination of the European Community's farm policy came under vigorous attack yesterday from Mr. John Peyton, shadow spokesman on agriculture.

was from the Federal Republic. The cost to the EEC of supporting agriculture in Germany was 40 per cent more than in Britain and 20 per cent more than in France.

Peyton pledges protection for British fisheries

BY RICHARD MOONEY

A CONSERVATIVE Government would not accept an EEC fisheries settlement which was unfair to British fishermen or failed to protect fish stocks from further "looting".

Speculative selling hits copper

By John Edwards, Commodities Editor

COPPER PRICES fell sharply on the London Metal Exchange yesterday as fresh speculative selling hit the market.

London traders said a major reason for the decline was the fall in the New York market as a result of the closing of the May "open" positions.

Most dealers in London prices is basically a technical reaction. It is argued that the fundamental supply-demand position remains unchanged.

Although the threatened strike at Noranda's Canadian Copper Refinery has been averted, the Gaspe and Inco strikes continue and there is concern about supplies from the African copperbelt.

Lead prices fell yesterday despite news from the U.S. that talks aimed at settling the strike at Kennecott's Ozark mine had failed.

Extra sugar quotas proposed

BY OUR COMMODITIES STAFF

THE INTERNATIONAL Sugar Organisation (ISO) wants to offer 165,000 tonnes of extra export quota allocations this year under its hardship reserve provision.

The extra quotas would be divided between Bolivia, 25,000 tonnes; El Salvador, 25,000; Fiji, 55,000; and Panama, 60,000.

At the weekly export tender in Brussels yesterday the EEC Commission authorised sales of 52,450 tonnes of white sugar, with a maximum rebate of 31,020 ECU per 100 kilos.

UK FARMING

Hard and costly winter

BY JOHN CHERRINGTON, AGRICULTURE CORRESPONDENT

THIS TIME the time of year when grass "keep" is sold by auction. That is farmers are buying to buy the summer grazing or cut hay on grassland which, for some reason, the owner does not wish to farm himself.

This keeps usually makes a high price, but last week at one of the earlier sales in Cumbria some 90 acres were sold for £106 an acre.

The reason for this extreme price was simply, according to my informant, that the winter had so depleted farmers' reserves of fodder, that they were determined to buy grazing for their young cattle and sheep.

The decision is all the more difficult to make because grass is still so slow that it is questionable whether some crops will have time to tiller properly before they begin to produce seed heads.

All the pundits say spring barley must be sown in March at the latest. On my own farm some 20 acres went in on March 5 and since then nothing has been done at all until last weekend.

Autumn-sown wheat and barley has in France suffered, particularly in the lighter soils, and this damage has been caused not so much by the cold but by the action of the repeated frosts which moved the ground and either lifted the plants on to the

the snow-covered areas there has not been such a loss of autumn-planted grain, particularly on heavy land.

In most of the country the land has been too wet even for the fertiliser distributors to operate, and once the fields dry out there will be a huge backlog of work.

There has been a very serious loss of grass seeds sown last autumn. The drought delayed germination until December, and then the plants were so tiny and weak that they succumbed at once to the frost.

The worst of this damage is only just becoming apparent. I have lost a lot on my own farm, and many other farmers have fared much worse.

The problem has been compounded by the low temperatures which have inhibited growth to the extent that unless a miracle of some sort changes the weather patterns there will be much delay in pasture growth.

This is extremely serious for all stock farmers. Supplies of hay and other forage which had been considered ample, are now very short.

Hay which had been very reasonably priced, particularly in the south, appears almost to have doubled in price in the last month, and is becoming very scarce. A growing scarcity of grain is also raising the price of compound feeds.

This is particularly hard on sheep farmers, who have had a difficult lambing, and are now faced with an extended period of expensive feeding.

As far as lowland flocks are concerned, lambing has been very difficult but not impossible. Where the ewes have been well fed they have had milk and the lambs in general have been good, although in many cases the numbers born have not been quite as high as customary.

The reduction in numbers has meant that the lambs on the whole have been strong and have been able to put up with some fairly rough conditions.

First reports from hill areas indicate that although there have been losses they have not yet in general been spectacular as far as ewes are concerned. The probability, though, is that many of the ewes are in such poor condition, due to the sheer inability to get feed to them, that their chances of rearing a good lamb crop have been much reduced.

This could have serious implications for the supply of replacements for lowland flocks in future years as most of these are likely to be hill bred.

In many respects this winter has been worse than either the 1947 or 1963 spectacles when the south of England was snow covered for at least three months.

The persistence of the bad weather with a constant repetition of snow, rain, frost and low temperatures has been spectacular as far as ewes are concerned. The probability, though, is that many of the ewes are in such poor condition, due to the sheer inability to get feed to them, that their chances of rearing a good lamb crop have been much reduced.

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EEC cuts bacon subsidies

BY MARGARET VAN HATTEM

THE COMMON Market Commission has adjusted the formula used for calculating the monetary compensatory amount (MCA) subsidies on bacon, ham and pork products.

Reducing the coefficients used in the MCA calculation will cut subsidies on Danish, Dutch and Irish bacon shipped to Britain by between 5 and 10 per cent.

This will benefit UK pigmeat processors who have long complained at the unfair advantages given to imported produce.

In a related decision, the Commission also decided to raise the minimum export price, the "sluice-gate" price on pigmeat imported from non-EEC countries, by 17 per cent from May 1.

The decisions are the result of heavy political pressure from the British and French, the Community's main pigmeat importers.

The change in co-efficients has long been resisted by the Danish and Dutch, the main exporters.

British pig processors have complained for years about the trends made on the UK market by Continental processors, particularly the Danes, with the help of large subsidies introduced to offset the slide of sterling on the foreign exchanges.

France, which is also a major importer of pig meat, has no MCA in this sector, following the "green" currency devaluations agreed at last month's Farm Council.

However, it has long pressed for a rise in the sluice-gate price, possibly in the hope of increasing its access to the West German market for processed products.

The price rise is expected to hit Polish and East German farmers, who up to now have exported substantial quantities to West Germany.

The Meat and Livestock Commission forecast yesterday that the reduction in the MCAs on Danish bacon caused by the continuing strength of sterling.

Next week, the Commission said, the subsidy on bacon sides should be cut from £144.78 a tonne to £125.83.

World action needed to control disease

BY OUR COMMODITIES STAFF

WORLDWIDE ACTION is needed to control African swine fever, a virulent pig disease with no known cure, according to the Food and Agriculture Organisation (FAO).

The disease has swept into Europe and Latin America since the first cases outside Africa were reported in Portugal in 1957.

The entire pig population of Malta had been killed. There had been 28 outbreaks in Sardinia in the past year and 19,000 pigs had been slaughtered.

Cuba, infected in 1971, eventually eradicated the disease, but only after a third of the national pig herd had been killed.

Losses in Haiti had been "immense." Almost the whole of the eastern part of Brazil had been infected and slaughtering and control were costing the Government \$8.5m a year.

Neighbouring countries were at risk, the FAO said, pointing out that Brazil's frontiers border on 10 other countries.

Since there was no immediate prospect of finding an effective vaccine against the disease, the

Farm loans cheaper

BY OUR COMMODITIES STAFF

The Agricultural Mortgage Corporation has reduced the interest rate charged to new borrowers.

From today new variable rate loans will be charged at 14.5 per cent against the previous level of 16 per cent and interest on new fixed rate loans comes down to 13.5 per cent from 15 per cent.

Existing variable rate borrowers will continue to pay 16 per cent interest until the next review date on June 1.

The AMC last changed its interest rates on December 1. The rate for quarterly reviewable variable rate loans was confirmed at 16 per cent on March 1.

Good Easter fish supplies

BY OUR COMMODITIES STAFF

Grimsby's traditional Easter Show Day market was well supplied yesterday with almost 60,000 stones of fish, mainly cod. Prices were high, and some cod sold for £50 a 10-stone box, while plaice reached £35.

However, a small number of poor quality haddock were unsold.

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BRITISH COMMODITY MARKETS

BASE METALS

Table with columns for metal type (Copper, Lead, Zinc, Tin), unit, and price. Includes sub-sections for Tin, Lead, and Zinc.

Table for L.G. Index Limited with columns for index type and price.

Table for Insurance Base Rates with columns for property type and rate.

Table for Coral Index with columns for index type and price.

Table for Grain Index with columns for grain type and price.

Table for Silver with columns for silver type and price.

Table for Wool Futures with columns for wool type and price.

Table for Cotton with columns for cotton type and price.

Table for Cocoa with columns for cocoa type and price.

Table for Rubber with columns for rubber type and price.

Table for Soybean with columns for soybean type and price.

Table for Wheat with columns for wheat type and price.

Table for Corn with columns for corn type and price.

AMERICAN MARKETS

Precious metals fall

Table for Precious Metals with columns for metal type and price.

Table for Soybean Meal with columns for meal type and price.

Table for Sugar with columns for sugar type and price.

Table for Grains with columns for grain type and price.

Table for Meat/Vegetables with columns for product type and price.

Table for Wool with columns for wool type and price.

Table for Cotton with columns for cotton type and price.

Table for Cocoa with columns for cocoa type and price.

Table for Rubber with columns for rubber type and price.

Table for Soybean with columns for soybean type and price.

Table for Wheat with columns for wheat type and price.

PRICE CHANGES

Table for Price Changes with columns for commodity type and price change.

Table for Soybean Meal with columns for meal type and price.

Table for Sugar with columns for sugar type and price.

Table for Grains with columns for grain type and price.

Table for Meat/Vegetables with columns for product type and price.

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Table for Cocoa with columns for cocoa type and price.

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Table for Soybean with columns for soybean type and price.

Table for Wheat with columns for wheat type and price.

EUROPEAN MARKETS

Table for European Markets with columns for commodity type and price.

Table for Soybean Meal with columns for meal type and price.

Table for Sugar with columns for sugar type and price.

Table for Grains with columns for grain type and price.

Table for Meat/Vegetables with columns for product type and price.

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Table for Corn with columns for corn type and price.

Trading Recommendations advertisement for Commodity Analysis Ltd. including contact information and service details.

INDICES and DOW JONES advertisement with financial data and market information.

LONDON STOCK EXCHANGE

Tap stock over-subscribed but Gilt-edged react late Equities show reluctance to fall and index closes higher

Account Dealing Dates
*First Declared Last Account
Dealings Dealings Day
Mar. 26 Apr. 5 Apr. 6 Apr. 18
Apr. 9 Apr. 19 Apr. 20 May 1
Apr. 23 May 3 May 4 May 15

Confirmation of early money market suggestions that the new medium tap stock had been over-subscribed provided the basis for a combination of revived overseas and domestic investment support for Gilt-edged securities in a market again completely untapped. Earlier, quotations were tending to surrender small early gains in light of yesterday's setback in the sterling exchange rate and this initial reactionary tendency was repeated during the late afternoon when the fall in the pound sharpened.

Demand had been concentrated on the longer maturities, up as much as 10 places before a slight paring of the gains towards the official close. But the advantage was lost completely in after-hours dealings and in some cases the losses extending to 2 began to appear. The shorts also attracted a fair amount of business and settled narrowly mixed. Sentiment in both the funds and sterling was probably unscathed by the Price Commission's indication of an increased rate of inflation.

The equity sections were relatively neglected, partly because many investors had committed their funds in applications for the tap, Exchequer 11 per cent 1991. Some light selling was aroused by the MORI poll with its reduced Tory election lead and, in the absence of institutional buyers, the offerings tended to lower leading shares a penny or two.

The downward gave every appearance of persisting, but several dealers in leading stocks decided in the early afternoon to cut their bear commitments and this produced a technical recovery on the back of which a more genuine demand developed. The movement was clearly reflected in the FT 30 share index which improved from being 1.9 down at 11 am to close a net 3 points up at 538.7.

Covering operations in the wake of the lower sterling rate prompted a recovery to the investment dollar premium which closed 2 1/2 points higher at 544 per cent. Yesterday's SE conversion factor was 0.8079 (0.8124).

A big demand was again seen in Traded options for Cons. Gold which contributed 880 trades out of a total of 2,256, the highest this month. Marks and Spencer, expected to announce annual results shortly, also attracted a good trade with 313 contracts.

Insurances were featured by GRE and Eagle Star which both recorded good gains in response to much better-than-expected annual results: the former ended 18 to the good at 278p and the latter 7 dearer at 164p. Other Companies moved higher in sympathy. General Accident gained 8 to 248p and Sun Alliance 5 to 594p. Among brokers, Matthews Wrightson improved 2 to 200p, after 205p, following the satisfactory results, but Minet dipped 6 for a two-day relapse of 29 to 156p on further consideration of the disappointing preliminary figures. Elsewhere, Pearl continued firmly at 294p, up 12 while Britannic added 4 to 185p.

LONDON TRADED OPTIONS table with columns for Option, Exch's price, Closing offer, Vol., Closing offer, Vol., Equity close. Includes sub-tables for April, July, Oct, May, August, November.

W. H. Smith down
W. H. Smith A reflected acute disappointment with the annual profits and fell away to close 21 down at 174p, after 173p. Profit-taking after the interim figures left it at 10 and 8 respectively in Burton Ordinary, 25p, and A. 300p, while the Warrants relinquished 8 to 159p. News that a recent revaluation of the group's properties revealed a surplus of 21.5p buoyed JDS which advanced 12 to 123p while Empire (Bradford) hardened 2 to 230p following the results and proposed 20 per cent scrip-issue. Wallis gained 6 to 100p on buying in a late market. A strong market for the following JDS results and a proposed scrip-issue. Bamber's encountered profit-taking and finished 12 down at 285p, after 275p, and Owen Owen declined 10 to 136p in reaction to the disappointing results.

Renewed buying interest was again fairly well spread throughout the market. AB Electronic returned to favour with a rise of 8 to 240p, while Enrotherm closed similarly dearer at 328p. Farnell put on 15 to 520p and Kede 6 to 230p. Against the trend, Lee Refrigeration became a poor trader at 75p, down 8, on disappointment with the preliminary results. Thorn continued firmly at 450p, up 12.

Preliminary results above market estimates prompted a swift recovery in Halifax Sidley, up to 254p, immediately in front of the figures, Hawker moved ahead on them to 262p before settling at 260p for a rise of 2 on the day. Other Engineering leaders also picked up after showing a slightly earlier trend for most of the day. John Brown ending unaltered at 558p, after 554p, and Tubes, a few pence cheaper at 404p, after 402p. Among secondary issues, Taylor Pallister responded to the annual results with a rise of 8 to 108p and Charles Clifton firmed 3 to 131p on the reduced second-half loss, but Brathwaite eased 2 to 85p on the company's decision to cease production at its West

Bromwich works. The increased interim dividend and profits failed to benefit Advest, 4 cheaper at 380p. Supermarkets met support, with Hillards adding 7 to 293p, Carriers 5 to 130p and Associated Dairies 3 to 280p. Distributors Morgan Edwards were again good, rising 5 to 113p, while J. good, helped by the chairman's confidence about future trading, improved 10 for a two-day rise of 20 at 375p. In contrast, J. E. England (Wellington), reported sharply reduced profits and fell 4 to 27p.

Still overshadowed by the disappointing interim results, Glaxo closed 3 down at 517p, before closing 3 down to 510p. Beecham, however, rallied 8 to 695p. Elsewhere, an investment recommendation attracted buyers to First and Mallinson which put on 5 to 47p, while Christie International gained 3 to 145p in response to the sharp increase in annual earnings. Kalamazoo improved 2 to 65p after trading news. Thomas Tilling added 6 at 158p but continued on the disappointing interim figures prompted a fresh fall of 6 to 234p, after 229p, in Smiths Industries. Walker and Hemer reacted 2 to 124p following the poor interim results, while Lead Industries, at 151p, weakened 3 for a similar reason. Profit-taking after the recent speculative rise left Philip Harris 6 off at 140p, while Danbeeb Combest lost 4 to 74p on nervous offerings ahead of next Tuesday's interim results.

Revised speculative demand lifted Leasurama 7 to 129p, while Horizon Midlands continued to benefit from good Easter holiday booking and added a like amount for a two-day rise of 23 to 249p. Following Monopolies Commission clearance, Rockwell finally held its bid for Wilmot-Breeden which rallied 8 to match the offer price of 115p; as with earlier approaches, Wilmot had rejected the bid stating that it undervalues the company. Elsewhere, Motors attracted a good two-way trade with a predominant amount of buyers. Harold Perry were still in demand, rising 6 for a two-day gain of 21 at 172p, T. C. Harrison added 9 to 135p, and Godfrey Davis 5 to 119p. Lex, 103p, and Hanger, 89p, both advanced 1p, while Plaxton improved 9 to 160p, the last-mentioned on recovery prospects.

Mouvement Populaire de la Révolution
République du Zaïre
Régie des voies fluviales
B.P. 11.697/Kinshasa
Avis d'appel d'offres international

La Régie des Voies Fluviales lance un appel d'offres international pour la fourniture de bouées lumineuses et chaînes d'ancrage. La participation est ouverte à toutes les entreprises de pays membres de la Banque Mondiale et de la Suisse. Les soumissionnaires peuvent retirer moyennant paiement de la somme de 100,- zaires, le dossier complet de l'appel d'offres auprès du: Secréariat de la Direction Générale REGIE DES VOIES FLUVIALES avenue Lumpungu n° 109 - Kinshasa/Gombe ou auprès de l'Ambassade du Zaïre dans leur pays. — Aux cent zaires peut se substituer un montant équivalent dans une des quinze devises librement convertibles admises au change par la Banque du Zaïre et qui sont: Les francs belge, C.F.A., français et suisse, les dollars nord-américain et canadien, les couronnes danoise, norvégienne et suédoise, la livre sterling, le mark ouest-allemand, la lire italienne, le florin néerlandais, le schilling autrichien et le escudo portugais. La date limite de réception des offres est fixée au 15 juin 1979 à 15 heures (heure locale). Les offres cachetées doivent être adressées à: Administrateur Délégué Général REGIE DES VOIES FLUVIALES B.P. 11.697/Kinshasa 1 - Zaïre L'appel d'offres est international et les ambassades intéressées sont invitées à retirer le dossier d'appel d'offres à l'adresse indiquée ci-dessus. Les soumissionnaires sont invités à assister à la séance publique d'ouverture des offres qui aura lieu dans la Salle de conférence de la Direction Générale - avenue Lumpungu n° 109 à Kinshasa le 15 juin 1979 à 15 heures (heure locale). REGIE DES VOIES FLUVIALES l'Administrateur Délégué Général

LEADERS AND LAGGARDS table showing percentage changes in the principal equity sections of the FT Actuaries Share Indices. Includes columns for Stores, Entertainment and Catering, etc.

NEW HIGHS AND LOWS FOR 1979
The following securities issued in the Share Information Service yesterday attained new highs and lows for 1979.

NEW HIGHS (267) and NEW LOWS (24) tables listing various stocks and their prices.

RECENT ISSUES table listing new issues with columns for Issue, Price, Amount, etc.

EQUITIES table listing various equity securities and their prices.

FIXED INTEREST STOCKS table listing fixed interest securities and their prices.

RIGHTS OFFERS table listing rights and offers for various securities.

Oil improve
Lacklustre Newspapers were featured by News International which rose 10 to 355p following mention in a broker's circular. Printing and publishing group Ferry Pickering added 4 to 124p on the satisfactory half-time, but profit-taking following the previous day's jump of 27 on the results left London and Provincial Poster 5 easier at 270p.

The sharp increase in first-half earnings and the accompanying recovery in the oil market helped Bellway rise 4 to 110p after 113p. In Properties, Slough Estates found support at 170p, up 7, while the 10 per cent Con-

vertible added 8 points to 220. Despite a low level of activity, the Oil leaders ended the day on a firm note. Assisted by a broker's investment recommendation, British Petroleum hardened 6 to 1200p, while Shell edged up 4 to 750p. Among the more specialist issues, Burnham gained 4 to 125p ahead of next week's preliminary statement. Tricentral became a quieter market, but improved 4 further to 226p, while Ultramar gained 10 to 316p. Premier, unaltered at 34p, were reasonably active.

Buyers were evident in the Trust sector and widespread gains of two or three pence were recorded. Among Financials, Britannia Arrow improved 1 to 220 on the return to profitability. Textiles traded quietly and ended close to the overnight levels. British Mobair, buoyed by the chairman's annual statement, hardened 2 to 155p, while Homfray firmed 2 to 35p on news that a subsidiary of Sun Life holds a 6.2 per cent stake in the company. Sanderson Kayser secured a penny on the results.

Among firm Tobaccos, Imps rose 3 to 106p, and Bats added 6 at 316p.

Gold Fields firm
Consolidated Gold Fields provided the main feature in otherwise subdued mining markets, gaining 7 to 233p. Heavy volume in the traded option markets led to a technical situation, pushing the equity price to the higher levels. Among other London Financials, Selection Trust slipped 4 to 554p on lack of interest after their annual figures, announced on Tuesday.

The influence of the investment premium helped South African Gold to remain steady in sterling terms and the Gold Mines Index was 0.1 higher at 144.3. But the ex-premium index, reflecting a market sagging on some U.S. selling in the wake of the lower bullion price, was down 1.4 at 118.5.

Platinum was steady. Rustenburg, in front of today's announcement of sharply higher half-year profits, were 1 harder at 137p. Lydenburg, which reported a half-yearly profit increase in the late afternoon, were unchanged at 87p, while Impala gained 2 to 185p.

Turnover among Australians was low and London buying was not a major influence on prices. But the premium was again a factor in the general steadiness. Royal Bank of Canada was harder, but did not respond noticeably to the chairman's prediction of higher earnings on the basis of higher metal prices. Pancontinental rallied from their 1978-79 low with a gain of 25 to 725p.

FINANCIAL TIMES STOCK INDICES table showing various indices like Government Secs, Fixed Interest, etc.

HIGHS AND LOWS table showing high and low prices for various stocks.

S.E. ACTIVITY table showing S.E. activity for various sectors.

ACTIVE STOCKS table listing active stocks and their prices.

OPTIONS table listing various options and their prices.

RISES AND FALLS YESTERDAY
British Funds, etc. listing price changes for various funds and shares.

FT-ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries, and the Faculty of Actuaries.

AUTHORISED UNIT TRUSTS

Table of authorised unit trusts, listing various funds such as Abbey Unit Trst, Allen Harvey & Ross Unit Trst, and others, with their respective managers and details.

INSURANCE AND PROPERTY BONDS

Large table listing insurance and property bonds, including companies like Abbey Life Assurance, Commercial Union Assurance, and others, with their respective policies and terms.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds, listing various international investment vehicles such as Alexander Fund, Keyser Ullmann Ltd, and others.

NOTES

Notes section containing additional information and disclaimers regarding the fund listings.

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FT SHARE INFORMATION SERVICE

BONDS & RAILS—Cont.

1979 High	Low	Stock	Price	+/-	%	Div	Yield
11	18	1878	100.00				
15	27	1878	100.00				
20	30	1878	100.00				
25	30	1878	100.00				
30	30	1878	100.00				

BANKS & HP—Cont.

1979 High	Low	Stock	Price	+/-	%	Div	Yield
205	147	1878	100.00				
185	150	1878	100.00				
177	58	1878	100.00				
127	90	1878	100.00				
40	40	1878	100.00				

CHEMICALS, PLASTICS—Cont.

1979 High	Low	Stock	Price	+/-	%	Div	Yield
105	91	1878	100.00				
102	72	1878	100.00				
102	72	1878	100.00				
102	72	1878	100.00				
102	72	1878	100.00				

ENGINEERING—Continued

1979 High	Low	Stock	Price	+/-	%	Div	Yield
44	44	1878	100.00				
44	44	1878	100.00				
44	44	1878	100.00				
44	44	1878	100.00				
44	44	1878	100.00				

FOOD GROCERIES—Cont.

1979 High	Low	Stock	Price	+/-	%	Div	Yield
134	134	1878	100.00				
134	134	1878	100.00				
134	134	1878	100.00				
134	134	1878	100.00				
134	134	1878	100.00				

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1979 High	Low	Stock	Price	+/-	%	Div	Yield
974	974	1878	100.00				
974	974	1878	100.00				
974	974	1878	100.00				
974	974	1878	100.00				
974	974	1878	100.00				

AMERICANS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
144	144	1878	100.00				
144	144	1878	100.00				
144	144	1878	100.00				
144	144	1878	100.00				
144	144	1878	100.00				

BEERS, WINES AND SPIRITS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
102	89	1878	100.00				
102	89	1878	100.00				
102	89	1878	100.00				
102	89	1878	100.00				
102	89	1878	100.00				

DRAPERY AND STORES

1979 High	Low	Stock	Price	+/-	%	Div	Yield
54	44	1878	100.00				
54	44	1878	100.00				
54	44	1878	100.00				
54	44	1878	100.00				
54	44	1878	100.00				

BUILDING INDUSTRY, TIMBER AND ROADS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
85	71	1878	100.00				
85	71	1878	100.00				
85	71	1878	100.00				
85	71	1878	100.00				
85	71	1878	100.00				

HOTELS AND CATERERS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				

INDUSTRIALS (Miscel)

1979 High	Low	Stock	Price	+/-	%	Div	Yield
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				

Five to Fifteen Years

1979 High	Low	Stock	Price	+/-	%	Div	Yield
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				
110	99	1878	100.00				

Over Fifteen Years

1979 High	Low	Stock	Price	+/-	%	Div	Yield
108	87	1878	100.00				
108	87	1878	100.00				
108	87	1878	100.00				
108	87	1878	100.00				
108	87	1878	100.00				

CANADIANS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
165	112	1878	100.00				
165	112	1878	100.00				
165	112	1878	100.00				
165	112	1878	100.00				
165	112	1878	100.00				

UNDATED

1979 High	Low	Stock	Price	+/-	%	Div	Yield
35	35	1878	100.00				
35	35	1878	100.00				
35	35	1878	100.00				
35	35	1878	100.00				
35	35	1878	100.00				

INTERNATIONAL BANK

1979 High	Low	Stock	Price	+/-	%	Div	Yield
85	85	1878	100.00				
85	85	1878	100.00				
85	85	1878	100.00				
85	85	1878	100.00				
85	85	1878	100.00				

BANKS AND HIRE PURCHASE

1979 High	Low	Stock	Price	+/-	%	Div	Yield
360	250	1878	100.00				
360	250	1878	100.00				
360	250	1878	100.00				
360	250	1878	100.00				
360	250	1878	100.00				

COMMONWEALTH & AFRICAN LOANS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
103	98	1878	100.00				
103	98	1878	100.00				
103	98	1878	100.00				
103	98	1878	100.00				
103	98	1878	100.00				

LOANS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
103	98	1878	100.00				
103	98	1878	100.00				
103	98	1878	100.00				
103	98	1878	100.00				
103	98	1878	100.00				

FOREIGN BONDS & RAILS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
23	23	1878	100.00				
23	23	1878	100.00				
23	23	1878	100.00				
23	23	1878	100.00				
23	23	1878	100.00				

ELECTRICAL AND RADIO

1979 High	Low	Stock	Price	+/-	%	Div	Yield
132	127	1878	100.00				
132	127	1878	100.00				
132	127	1878	100.00				
132	127	1878	100.00				
132	127	1878	100.00				

ENGINEERING MACHINE TOOLS

1979 High	Low	Stock	Price	+/-	%	Div	Yield
105	105	1878	100.00				
105	105	1878	100.00				
105	105	1878	100.00				
105	105	1878	100.00				
105	105	1878	100.00				

FOOD, GROCERIES, ETC.

1979 High	Low	Stock	Price	+/-	%	Div	Yield
173	138	1878	100.00				
173	138	1878	100.00				
173	138	1878	100.00				
173	138	1878	100.00				
173	138	1878	100.00				

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INDUSTRIALS—Continued

INSURANCE—Continued

PROPERTY—Continued

INVESTMENT TRUSTS—Cont.

FINANCE, LAND—Continued

Table of Industrial stocks including companies like British Petroleum, Shell, and various engineering firms.

Table of Insurance stocks including companies like Royal Indemnity, Commercial Union Assurance, and others.

Table of Property stocks including companies like British Land, National Westminster, and others.

Table of Investment Trusts including various funds like British American, British Overseas, and others.

Table of Finance and Land stocks including companies like Anglo-Italian, Anglo-Siam, and others.

MINES—Continued AUSTRALIAN

Table of Australian Mines stocks including companies like BHP, Anglo-Australian, and others.

TINS

Table of Tins stocks including companies like Anglo-Tin, Anglo-Tin, and others.

COPPER

Table of Copper stocks including companies like Anglo-Copper, Anglo-Copper, and others.

MISCELLANEOUS

Table of Miscellaneous stocks including companies like Anglo-Misc, Anglo-Misc, and others.

GOLDS EX-PREMIUM

Table of Gold Ex-Premium stocks including companies like Anglo-Gold, Anglo-Gold, and others.

NOTES

Notes section containing various financial notices, company announcements, and market updates.

REGIONAL MARKETS

Table of Regional Markets including sections for Ireland, South Africa, and other regions.

OPTIONS 3-month Call Rates

Table of Options and 3-month Call Rates for various companies and markets.

LEISURE

Table of Leisure stocks including companies like British Leisure, British Leisure, and others.

MOTORS, AIRCRAFT TRADES

Table of Motors and Aircraft Trades stocks including companies like British Motors, British Motors, and others.

SHIPPING

Table of Shipping stocks including companies like British Shipping, British Shipping, and others.

SHOES AND LEATHER

Table of Shoes and Leather stocks including companies like British Shoes, British Shoes, and others.

SOUTH AFRICA

Table of South Africa stocks including companies like Anglo-South Africa, Anglo-South Africa, and others.

TEXTILES

Table of Textiles stocks including companies like Anglo-Textiles, Anglo-Textiles, and others.

Commercial Vehicles

Table of Commercial Vehicles stocks including companies like British Commercial Vehicles, British Commercial Vehicles, and others.

Components

Table of Components stocks including companies like British Components, British Components, and others.

Garages and Distributors

Table of Garages and Distributors stocks including companies like British Garages, British Garages, and others.

NEWSPAPERS, PUBLISHERS

Table of Newspapers and Publishers stocks including companies like British Newspapers, British Newspapers, and others.

PAPER, PRINTING

Table of Paper and Printing stocks including companies like British Paper, British Paper, and others.

TOBACCO

Table of Tobacco stocks including companies like Anglo-Tobacco, Anglo-Tobacco, and others.

TRUSTS, FINANCE, LAND

Table of Trusts, Finance, and Land stocks including companies like British Trusts, British Trusts, and others.

OVERSEAS TRADERS

Table of Overseas Traders stocks including companies like Anglo-Overseas, Anglo-Overseas, and others.

RUBBERS AND SISALS

Table of Rubbers and Sisals stocks including companies like Anglo-Rubbers, Anglo-Rubbers, and others.

TEAS

Table of Teas stocks including companies like Anglo-Teas, Anglo-Teas, and others.

INDIA AND BANGLADESH

Table of India and Bangladesh stocks including companies like Anglo-India, Anglo-India, and others.

AFRICA

Table of Africa stocks including companies like Anglo-Africa, Anglo-Africa, and others.

CENTRAL RAND

Table of Central Rand stocks including companies like Anglo-Central Rand, Anglo-Central Rand, and others.

EASTERN RAND

Table of Eastern Rand stocks including companies like Anglo-Eastern Rand, Anglo-Eastern Rand, and others.

FAR WEST RAND

Table of Far West Rand stocks including companies like Anglo-Far West Rand, Anglo-Far West Rand, and others.

O.F.S.

Table of O.F.S. stocks including companies like Anglo-O.F.S., Anglo-O.F.S., and others.

FINANCE

Table of Finance stocks including companies like Anglo-Finance, Anglo-Finance, and others.

DIAMOND AND PLATINUM

Table of Diamond and Platinum stocks including companies like Anglo-Diamond, Anglo-Diamond, and others.

CENTRAL AFRICAN

Table of Central African stocks including companies like Anglo-Central African, Anglo-Central African, and others.

INSURANCE

Table of Insurance stocks including companies like British Insurance, British Insurance, and others.

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Anti-Amin troops mop up in Kampala

BY MARK WEBSTER IN DAR ES SALAAM... ANTI-AMIN troops were reported mopping up the remaining pockets of resistance last night to their take-over of the Ugandan capital, Kampala.

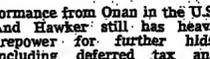
Dr. Lule, chairman of the executive council of UNLF, said yesterday he believed law and order would be a big problem for the new Government. He feared that a backlash against supporters of Amin's Government was a strong possibility.

The new Government in Uganda is not based on the Government in Tanzania. "They are two different countries with two different Governments, and you must not make the mistake of thinking they are going to be the same Government."

Tanzania has claimed that her casualties were very light in the final assault on Kampala, which began on Tuesday. Though reports said that little damage was done despite the heavy artillery bombardment, only some parts of the city had water, electricity and telephones.

THE LEX COLUMN A patchy outlook for Hawker

In its second attempt at the tender formula the Bank of England has managed to squeeze an extra half-point out of subscribers, the striking price being set at 97 1/2. The gilt-edged market was fluctuating nervously ahead of the issue result, which came after hours last night, and the new stock market faced a slightly tricky market debut this morning.



Babcock & Wilcox... Babcock and Wilcox's pre-tax profits, up 23 per cent at £33.5m, are distorted by the usual sprinkling of exceptional items, which add around £3m to this year's figure.

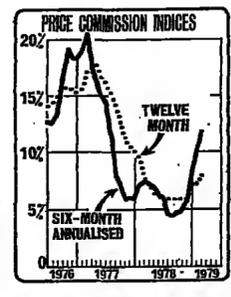
W. H. Smith... Thanks to a 70 per cent drop in the tax charge, W. H. Smith has been able to push its attributable profits up by nearly 50 per cent and its dividend has been raised by just over 40 per cent.

Rockwell/Wilmot... The statement from the takeover Panel... over Panel... it is to combine the role of policeman and judge. In this case there is a dispute over what the Panel executive actually told Warburg by telephone the day before Warburg sent Cazenove into the market to buy Wilmot shares heavily at 115p.

Price rise index up sharply

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

THE PRICE Commission index of notified price rises, which gives an early warning of the trend in prices over the next few months, increased sharply again last month to reach the highest level since the summer of 1977.



The index showed that the increase in prices notified to the Commission in the six months to end March, expressed as an annual rate, was 11.8 per cent. The revised figure for February was 10 per cent, which was the first time the index had reached double figures for about 18 months.

John Lloyd writes: Leading Labour Party figures reacted angrily to the measures on trade unions contained in the Conservative manifesto. "Mean, despicable and provocative are the only words to describe the Tory threat to deny supplementary benefit to the wives and children of men on strike," said Mr. David Ennals, the Social Services Secretary.

Carter claims pay policy victory

BY JOHN WYLES IN NEW YORK

THE CARTER Administration moved swiftly yesterday to claim a significant victory for its pay policy after agreement on a three-year contract to end the 10-day closure of a large portion of the U.S. road-haulage industry.

With an eye on the teamsters' negotiations, the Administration excluded from this limit last December the cost of maintaining existing health and welfare benefits. When the talks seemed near deadlock at the end of March, the Government excluded part of a cost-of-living increase paid on April 1, at the start of the new contract's life, and therefore, technically new money.

Trade unionists open attack on Conservative manifesto

BY CHRISTIAN TYLER, LABOUR EDITOR

THE Conservative manifesto was described last night by union leaders as a "no hope document—a re-run of a very faded B film."

Mr. David Bassett, spokesman for the union campaign committee, Trade Unions For a Labour Victory, said the legal framework that brought the Conservatives to grief in 1974 was being resurrected, except that this time they had refused to be specific about what changes they proposed.

Saudis warn of further oil price increase

BY KEVIN DONE, ENERGY CORRESPONDENT

CRUDE OIL prices could rise again from the end of June unless industrialised countries cut oil consumption and Iran maintains a high production level, Sheikh Ahmed Zaki Yamani, the Saudi Arabian Oil Minister warned yesterday.

Confirming the Saudi reduction from the 9.5m barrels a day allowed in the first quarter as an exception, Sheikh Yamani said: "At the end of the three-month period, the exceptional situation automatically ended and production levels climbed down to the original ceiling."

Union reform is Tory priority

Continued from Page 1

It says: "Pay bargaining in the private sector should be left to the companies and workers concerned. At the end of the day, no one should or can protect them from the results of the agreements they make."

Rail fares warning

referred to the possibility of a further rise.

BRITISH RAIL gave a warning yesterday that another round of fare increases this year depends on the outcome of pay talks starting today with the rail unions. It will make its decision about mid-summer.

Weather

UK TODAY SHOWERY over all parts with temperatures possibly below normal in the north. Max 14C (57F).

Table with weather forecasts for various regions: London, Midlands, S.E. Cent. S. England, N.W. Scotland, Channel Isles, N. England, S.W. Scotland, Cent. Highlands, Rest of Scotland, and Worldwide.

Pound and gilts fall

Continued from Page 1

Tenders of £1,900 and above have been allotted between 18.88 and 20 per cent. Letters of allotment, and where appropriate refund cheques, were being posted last night.

Trade unionists open attack on Conservative manifesto

BY CHRISTIAN TYLER, LABOUR EDITOR

Mr. Evans said the Conservatives planned to "sell off to their friends" the profitable parts of British industry, while saying nothing about what would happen to employees left behind in the unprofitable parts.

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Weather

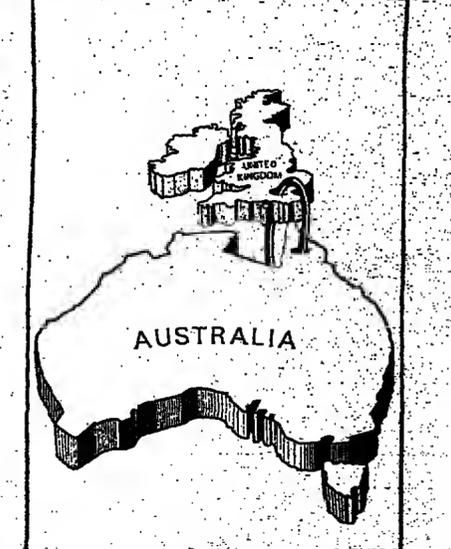
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